

FEDERAL REGISTER



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Washington, Thursday, January 1, 1959

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

Civil Aeronautics Board

Effective upon publication in the FEDERAL REGISTER, paragraph (b) of § 6.337 is revoked, and paragraphs (n) and (o) are added as set out below.

§ 6.337 Civil Aeronautics Board. * * *

(n) One Administrative Assistant to each Member of the Board.

(o) One Secretary to each Member of the Board.

(R. S. 1753, sec. 2, 22 Stat. 403, as amended; 5 U. S. C. 631, 633)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] WM. C. HULL,

Executive Assistant.

[F. R. Doc. 58-10796; Filed, Dec. 31, 1958; 8:49 a. m.]

Title 7—AGRICULTURE

Chapter VIII—Commodity Stabilization Service (Sugar), Department of Agriculture

[Sugar Reg. 811]

PART 811—CONTINENTAL SUGAR REQUIREMENTS AND AREA QUOTAS

Requirements and Quotas for 1959

Basis and purpose. The purpose of Sugar Regulation 811 is to determine, pursuant to section 201 of the Sugar Act of 1948, as amended (hereinafter called the "act"), the amount of sugar needed to meet the requirements of consumers in the continental United States for the calendar year 1959 and to establish, pursuant to section 202 of the act, sugar quotas for the supplying areas in terms of short tons of sugar, raw value, equal to the quantity determined by the Secretary of Agriculture to be needed in 1959 and to prescribe the time in which quotas may be filled. Further, this regulation establishes (1) the amounts of

certain quotas that may be filled by direct-consumption sugar, pursuant to section 207 of the act, (2) liquid sugar quotas pursuant to section 208, and (3) limitations on total importations to effectuate Article 7 of the International Sugar Agreement pursuant to section 411 of the act.

The determination of sugar requirements set forth in this regulation is made pursuant to the requirement of section 201 of the act that the Secretary of Agriculture make such determination for the calendar year 1959 during December of 1958. The determination has been based, insofar as required by section 201 of the act, on official statistics of the Department of Agriculture and statistics published by other agencies of the Federal Government.

Sugar quotas, the amounts thereof that may be filled by direct-consumption sugar, and liquid sugar quotas are established by the procedures prescribed or at levels specified in sections 202, 207 and 208 of the act.

Section 411 of the act provides for the issuance of regulations to carry out Article 7 of the International Sugar Agreement. Article 7 requires limiting the total importations from non-participating countries as a group to the total of such importations in any one of the years 1951, 1952 or 1953. All of the countries for which quotas are established hereunder are now members of the International Sugar Agreement except Costa Rica. Imports into the United States from Costa Rica were larger in 1953 than in either 1951 or 1952. Therefore, 1953 imports constitute the maximum quantity of sugar as defined in the International Sugar Agreement, as amended, that may be imported from such a non-member country.

Article 7, also, provides that upon notification by this country to the International Sugar Council, the import limitations on non-member countries may be suspended during a specified period when the prevailing world price of sugar, as defined in Article 20 of said Agreement, exceeds 4.00 cents and that the limitations shall be restored when such prevailing sugar price no longer exceeds 4.00 cents. The limitation in § 811.9 automatically ceases to apply when the country becomes a member.

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(As of July 1, 1958)

The following semiannual cumulative pocket supplement is now available:

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Prior to the issuance of this regulation, notice was given (23 F. R. 7625) that the Secretary of Agriculture was preparing, among other things, to determine the sugar requirements and to establish quotas for the calendar year 1959 and that any interested person might present any data, views or arguments with respect thereto at a public hearing to be held in Washington, D. C., on November 25, 1958. In addition, the notice stated that any interested person might present any data, views or arguments with respect thereto in writing not later than December 8, 1958. In making this determination due consideration has been given to the data, views and arguments expressed at the hearing held on November 25, 1958, and to the data, views and arguments submitted in writing on or before December 8, 1958, in accordance with the Administrative Procedure Act (60 Stat. 237).

Since the Sugar Act of 1948 requires that the Secretary of Agriculture determine sugar requirements for the calendar year 1959 during the month of December 1958, and since the sugar quotas for some areas are relatively small, thereby making it possible for such areas to exceed their quotas within a few days after the beginning of the quota year, compliance with the 30-day effective date requirements of the Administrative Procedure Act is impracticable and contrary to the public interest. Accordingly, this regulation shall be effective on January 1, 1959.

Sec.	
811.1	Sugar requirements, 1959.
811.2	Quotas for domestic areas.
811.3	Quotas for foreign countries.
811.4	[Reserved.]
811.5	[Reserved.]
811.6	Liquid sugar quotas for foreign countries.
811.7	Applicability of quotas.
811.8	Restrictions on importations and marketings.
811.9	International Sugar Agreement import limitations.

AUTHORITY: §§ 811.1 to 811.9 Issued under sec. 403, 61 Stat. 932; 7 U. S. C. 1153. Interpret or apply secs. 201, 202, 204, 207, 208, 209, 210, 212 and 411; 61 Stat. 923, as amended, 924, as amended, 925, as amended, 927, as amended, 928, as amended, 929, as amended,

933, as amended; 7 U. S. C. 1111, 1112, 1114, 1117, 1118, 1120, 1122.

§ 811.1 Sugar requirements 1959.

The amount of sugar needed to meet the requirements of consumers in the continental United States for the calendar year 1959 is hereby determined to be 9,200,000 short tons, raw value.

§ 811.2 Quotas for domestic areas.

(a) For the calendar year 1959 quotas for sugar to be brought into or marketed for consumption in the continental United States from domestic areas are established in column (1) and the amounts of such quotas for offshore areas that may be filled by direct-consumption sugar are established in column (2) as follows:

[Short tons, raw value]

Area	Quotas (1)	Direct-consumption limits (2)
Domestic beet sugar	1,998,717	(1)
Mainland cane sugar	615,024	(1)
Hawaii	1,115,479	31,403
Puerto Rico	1,106,375	136,113
Virgin Islands	15,905	0

1 No limit.

(b) Of the quantity established in paragraph (a) of this section for Puerto Rico which may be filled by direct-consumption sugar, 126,033 short tons, raw value, may be filled only by sugar principally of crystalline structure.

§ 811.3 Quotas for foreign countries.

For the calendar year 1959 quotas for sugar to be imported into the continental United States for consumption therein from foreign countries are established in column (1) and the amount of each such quota that may be filled by direct-consumption sugar is established in column (2) as follows:

[Short tons, raw value]

Country	Quotas (1)	Direct-consumption limits (2)
Republic of the Philippines	980,000	59,920
Cuba	3,060,475	375,000
Peru	86,867	9,827
Dominican Republic	71,557	8,761
Mexico	54,600	15,914
Nicaragua	12,879	10,494
Haiti	6,597	6,597
Netherlands	3,592	3,592
China	3,505	3,505
Panama	3,505	3,505
Costa Rica	3,498	3,498
Canada	631	631
United Kingdom	516	516
Belgium	182	182
British Guiana	84	84
Hong Kong	3	3
All other countries	0	0

§ 811.4 [Reserved.]

§ 811.5 [Reserved.]

§ 811.6 Liquid sugar quotas for foreign countries.

For the calendar year 1959 quotas for liquid sugar to be imported into the continental United States for consump-

tion therein are hereby established as follows:

Country:	Liquid sugar, wine gallons, 72 percent total sugar content
Cuba	7,970,558
Dominican Republic	830,894
British West Indies	300,000
Other foreign countries	0

§ 811.7 Applicability of quotas.

The provisions of §§ 811.1 to 811.6 shall apply to all sugar and liquid sugar brought or imported into or marketed in the continental United States in 1959 except as provided in section 212 of the act and subject to the provisions of the regulations in this chapter, which prescribe the time, manner, and conditions under which quotas are filled by the marketing or importation of sugar.

§ 811.8 Restrictions on importations and marketings within quotas.

With respect to any sugar or liquid sugar which is subject to the provisions of §§ 811.1 to 811.6 as provided in § 811.7, all persons are prohibited during the calendar year 1959 from bringing or importing into or marketing in the continental United States any of such sugar or liquid sugar after the applicable quota has been filled, or any of such sugar or liquid sugar as direct-consumption sugar after the direct-consumption portion of the applicable quota has been filled.

§ 811.9 International Sugar Agreement import limitations.

Notwithstanding any other provision of this part or of section 212 of the act and to give effect to Article 7 of the International Sugar Agreement, total importations of sugar, as defined in the International Sugar Agreement, as amended, from countries which are not members of the Agreement shall be limited to the quantities shown below during such portion of 1959 that import limitations on such countries are not suspended, pursuant to Article 7, by the issuance of a public notice by the Director, Sugar Division, Commodity Stabilization Service, and such country is not a member of the International Sugar Agreement:

Country:	"ISA Limit" (short tons, raw value)
Costa Rica	1,123
Other non-member countries	0

Statement of Bases and Considerations

Requirements. Section 201 of the Sugar Act of 1948, as amended, provides that in determining the quantity of sugar needed to meet the requirements of consumers in the continental United States (total of quotas) the Secretary shall use as a basis the quantity of sugar distributed in the twelve-months ended October 31 prior to the year to which the requirements apply, shall make allowances for a deficiency or surplus in inventories of sugar and for changes in consumption because of changes in population and demand conditions and, in addition, shall consider the relationship between whole-

sale prices for refined sugar and the Consumers' Price Index.

During the twelve months ended October 31, 1958, distribution of sugar by refiners, importers and processors of sugar beets and sugarcane amounted to about 8,970,000 short tons, raw value. An analysis of monthly distribution indicates that invisible inventories (those held by wholesalers, retailers and industrial users) expanded about 100,000 tons during that period and consequently actual consumption was less than distribution by about the same amount. After allowing for probable population increases after October 31, 1958, these data suggest that total distribution in calendar year 1959 may approximate 9,050,000 tons, if there is no appreciable change in the level of invisible inventories during the year. In considering requirements, the quantity of 50,000 tons must be added to distribution to compensate for refining losses in excess of that provided for in the raw value formula.

Inventories of quota sugar held by refiners at the end of 1958 are expected to be larger than they were a year earlier but all of the increase will occur in the Gulf area and result from the availability of large quantities of new-crop sugar within the quota for the Mainland Cane Sugar Area. The distribution of beet sugar may be enlarged during the closing weeks of 1958 through actual deliveries, in-transit deliveries and constructive marketings as a result of market conditions and the absence of marketing restrictions. It is difficult at this time to anticipate whether refiners will desire larger or smaller year-end supplies in 1959 or whether beet processors will follow similar or different marketing practices in the closing weeks of next year.

The wholesale price of refined sugar at New York is 9.35 cents per pound, or 94.4 percent of the level of the 9.90 cents computed in accordance with the Consumers' Price Index under the formula in section 201 of the act.

No downward adjustment of supplies appears warranted under the price provisions of the act considering the recent market strength reflected by prices of beet sugar, spot raw sugar and new-crop futures. In view of the current supply uncertainties, it seems desirable to provide fully for 1959 needs. In light of the current strong demand and market conditions, it appears undesirable to cut total quotas for 1959 below the level of 9,200,000 tons now in effect for 1958. Accordingly, quotas of 9,200,000 short tons, raw value, are determined to be required to provide a supply of sugar in 1959 which meets the objective of the act.

Quotas. The quotas herein established were determined in accordance with the procedures of the act provided for translating total sugar requirements into quotas for individual countries and areas.

On the basis of the average polarization of Philippine sugar imported during 1958 a quota of 980,000 short tons, raw value, is required to permit the entry of the quantity of sugar established as the quota for the Republic of the Philippines by section 202 of the act. The portion of this quota which may be imported as

direct-consumption sugar, established as 56,000 short tons, raw value, in subsection (d) of section 207 of the act may be filled entirely with refined sugar and is, therefore, determined to be equivalent to 59,920 short tons, raw value.

The extent to which each quota may be filled by direct-consumption sugar was established pursuant to section 207 of the act.

The liquid sugar quotas established are those specified in section 208 of the act.

As a member of the International Sugar Agreement the United States is obligated to restrict importations from non-member countries pursuant to Article 7 of the Agreement. Costa Rica appears to be the only country which will receive a quota pursuant to section 202 of the act and which will not be a member of the International Sugar Agreement. Accordingly, the full limitation imposed by Article 7 of the Agreement is reserved for Costa Rica.

Done at Washington, D. C., this 29th day of December 1958.

[SEAL]

TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 58-10798; Filed, Dec. 31, 1958;
8:49 a. m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

PART 970—IRISH POTATOES GROWN IN MAINE

Approval of Expenses and Rate of Assessment

Notice of rule making regarding proposed expenses and rate of assessment, to be made effective under Marketing Agreement No. 122 and Order No. 70 (7 CFR Part 970), regulating the handling of Irish potatoes grown in the State of Maine, was published in the FEDERAL REGISTER December 3, 1958 (23 F. R. 9337). This regulatory program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.). After consideration of all relevant matters presented, including the proposals set forth in the aforesaid notice, which proposals were adopted and submitted for approval by the Maine Potato Administrative Committee established pursuant to said marketing agreement and order, it is hereby found and determined that:

§ 970.206 Expenses and rate of assessment.

(a) The reasonable expenses that are likely to be incurred by the Maine Potato Administrative Committee, established pursuant to Marketing Agreement No. 122 and this part, to enable such committee to perform its functions pursuant to the provisions of the aforesaid marketing agreement and order, during the fiscal period ending August 31, 1959, will amount to \$61,625.00.

(b) The rate of assessment to be paid by each handler, pursuant to Marketing

Agreement No. 122 and this part, shall be \$1.25 per railroad car, \$1.25 per truckload of 36,000 pounds or more, 80 cents per truckload of not less than 25,000 pounds, up to, but not including, 36,000 pounds, and 50 cents per truckload of less than 25,000 pounds, or the respective equivalent quantities, or potatoes handled by him as the first handler thereof during said fiscal period.

(c) The terms used in this section shall have the same meaning as when used in Marketing Agreement No. 122 and this part.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: December 29, 1958, to become effective 30 days after publication in the FEDERAL REGISTER.

[SEAL]

S. R. SMITH,
Director,
Fruit and Vegetable Division.

[F. R. Doc. 58-10797; Filed, Dec. 31, 1958;
8:49 a. m.]

Title 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

SUBCHAPTER A—CIVIL AIR REGULATIONS

CHANGES IN CIVIL AIR REGULATIONS TO CONFORM WITH FEDERAL AVIATION ACT OF 1958

Under the provisions of the Federal Aviation Act of 1958, the Civil Air Regulations promulgated by the Civil Aeronautics Board continue in effect according to their terms until modified, terminated, superseded, or repealed by the Administrator of the Federal Aviation Agency. However, a review of the Civil Air Regulations indicates that many of the regulations by their terms authorize the Board to perform regulatory functions and duties which are to be performed by the Administrator of the Federal Aviation Agency on and after December 31, 1958, the effective date of the safety regulatory provisions of the Federal Aviation Act of 1958. Therefore, these regulations are hereby amended without delay in order to make them consistent with the Act and provide the public with current information in regard to the persons authorized to perform such functions.

The principal changes contained in this blanket amendment apply to all parts of the Civil Air Regulations and are divided into the following categories:

(1) *Regulations providing for termination dates of aircraft, airmen, air carrier and air agency certificates.* These regulations now provide, among other things, that such certificates shall remain in effect until a termination date is otherwise established by the Board. Since the regulatory authority to establish a termination date will be exercised by the Administrator of the Federal Aviation Agency, the regulations are amended to provide that the Administrator may establish a termination date for such certificates instead of the Board.

(2) *Regulations providing for safety inspections by representatives of the Ad-*

ministrator and the Board. Since the Board will no longer exercise safety regulatory powers, these regulations are amended to eliminate safety inspections by representatives of the Board. This amendment is not intended to affect, in any way, the authority of the Board to conduct investigations pursuant to the aircraft accident investigation provisions of the Federal Aviation Act of 1958.

(3) *Regulations requiring notice to be given to the Board in regard to deviations from regulations.* These regulations are amended to require such notice to be given to the Administrator of the Federal Aviation Agency instead of the Board.

(4) *Regulations providing for review of safety actions of the Administrator by the Board.* Sections 40.21 and 60.13a are amended by deleting the provisions which provide for review by the Board of safety regulatory functions. This amendment will not in any way affect the right of the air carrier to petition the Administrator informally for reconsideration of his actions in regard to the issuance of an operations specification which was formerly subject to review by the Board.

(5) *Regulations defining the Administrator as the Administrator of Civil Aeronautics.* These regulations are amended by redefining the word Administrator to mean the Administrator of the Federal Aviation Agency.

The changes in this amendment are necessary for conformance of the Civil Air Regulations with the provisions of the Federal Aviation Act of 1958, and involve no additional burden upon the public. Accordingly, compliance with the notice, procedure and effective date provisions of the Administrative Procedure Act is unnecessary and they are adopted to become effective December 31, 1958, the effective date of the safety regulatory provisions of the Federal Aviation Act of 1958.

In consideration of the foregoing, the Administrator of the Federal Aviation Agency hereby adopts the following amendments to the Civil Air Regulations to become effective on December 31, 1958:

1. Amend §§ 1.1 (a) (1), 3.1 (a) (1), 4b.1 (a) (1), 5.1 (a) (1), 6.1 (a) (1), 7.1 (a) (1), 8.1 (a) (1), 10.1 (a) (1), 13.1 (a) (1), 14.1 (a) (1), 27.2, 33.2, 34.2, 40.5, and 46.5, by deleting the words "Administrator of Civil Aeronautics" as they appear in those sections, and inserting "Administrator of the Federal Aviation Agency".

2. Amend §§ 1.16, 1.44, 1.64 (a), 1.75 (c), 20.11 (b), 21.24 (a), 22.21 (b), 24.7 (a), 24.102, 26.18 (a), 27.7 (a), 33.7 (a), 34.7 (a), 35.7 (a), 40.16, 46.16, 51.4, 52.7, and 53.7, by deleting the words "terminated by Order of the Board" appearing in those Sections and inserting "terminated by Order of the Administrator".

3. Amend §§ 40.22 and 46.22 by deleting the words "authorized representative

of the Board or the Administrator" and inserting "authorized representative of the Administrator".

4. Amend §§ 42.8, 50.30, and 53.11 by deleting the words "or the Board" as they appear in those sections.

5. Amend §§ 40.13 (b), 41.1 (a), 42.5 (b), and 46.13 (b), by deleting the last sentence appearing in each of these sections.

6. Amend § 42.2 (d) to read as follows:

(d) Grants of deviation authority issued pursuant to this section may be terminated at any time by the Administrator.

7. Amend § 60.13a by striking the last sentence of that section.

8. Amend §§ 40.21 and 46.21 by striking the last two sentences of those sections.

9. Amend the definition of operations specifications, appearing in §§ 40.5 and 46.5 by deleting the words "under delegated authority from the Board".

10. Amend §§ 3.11 (a), 4b.11 (a), 5.11 (a), 6.11 (a), 7.11 (a), 13.11 (a), and 14.11 (a), by striking the word "Board" and inserting in lieu thereof the word "Administrator".

11. Amend §§ 3.11 (d), 4b.11 (d), 5.11 (d), 6.11 (d), 7.11 (d), 13.11 (d), and 14.11 (d), by deleting the words "Except as otherwise provided by the Board, or by the Administrator" and inserting in lieu thereof the words "Except as otherwise provided by the Administrator".

12. Delete the note to § 49.1.

13. Delete the words "the Civil Aeronautics Board" appearing at the end of the first paragraph of the note to § 49.13, and insert in lieu thereof the words "Administrator of the Federal Aviation Agency".

14. Delete the words "or the Board" appearing at the end of § 49.23.

15. Delete the words "or Board" appearing at the end of the second sentence of § 41.120 (a).

16. Wherever the terms "Administrator of Civil Aeronautics", "Civil Aeronautics Administration", "authorized representative of the Administrator of Civil Aeronautics", or "approved by the Administrator of Civil Aeronautics" are used in the Civil Air Regulations, these terms shall mean "Administrator of the Federal Aviation Agency", "Federal Aviation Agency", "authorized representative of the Administrator of the Federal Aviation Agency", "approved by the Administrator of the Federal Aviation Agency", and such other words as the context of the regulations shall require.

(Sec. 313 (a) of the Federal Aviation Act of 1958, Act of August 23, 1958, 72 Stat. 752 (Pub. Law 85-726). Interpret or apply Secs. 307 (a) and 307 (c), 601-608, inclusive, and 1501 (a); 72 Stat. 749, 750, 775-779 and 809)

E. R. QUESADA,
Administrator.

[F. R. Doc. 58-10756, Filed, Dec. 31, 1958; 8:45 a. m.]

[Reg. No. SR-389B]

PART 4b—AIRPLANE AIRWORTHINESS; TRANSPORT CATEGORIES

PART 40—SCHEDULED INTERSTATE AIR CARRIER CERTIFICATION AND OPERATION RULES

PART 41—CERTIFICATION AND OPERATION RULES FOR SCHEDULED AIR CARRIER OPERATIONS OUTSIDE THE CONTINENTAL LIMITS OF THE UNITED STATES

PART 42—IRREGULAR AIR CARRIER AND OFF-ROUTE RULES

PART 43—GENERAL OPERATION RULES

PART 45—COMMERCIAL OPERATOR CERTIFICATION AND OPERATION RULES

Special Civil Air Regulation; Emergency Exits for Airplanes Carrying Passengers for Hire

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 24th day of December 1958.

Special Civil Air Regulation No. SR-389A, effective September 13, 1957, superseded Special Civil Air Regulation No. SR-389. All of the provisions of SR-389 were retained in SR-389A. However, the latter special regulation as amended on October 17, 1957, contained an addition to the occupant/exit table which permitted the Viscount 700 series airplanes to carry 53 occupants when 7 exits were provided.

Special Civil Air Regulation No. SR-389, effective October 27, 1952, superseded Special Civil Air Regulation No. SR-387. Except for correcting some minor errors with respect to the number of exits authorized by the Civil Aeronautics Administration, there was no difference between the two special regulations.

Special Civil Air Regulation No. SR-387, effective October 27, 1952, was adopted in order to make applicable to the then operating transport airplanes more stringent rules regarding the number of occupants permitted per exit. SR-387 required, among other things, that all large airplanes (more than 12,500 pounds maximum certificated take-off weight) comply with either § 4b.362 (a), (b), and (c) of Part 4b of the Civil Air Regulations as amended by Amendment 4b-4 effective December 20, 1951, or with the specific requirements set up in SR-387. Subsequently, the provisions of § 4b.362 (a), (b), and (c) of Part 4b were revised by Amendment 4b-5, effective April 9, 1957.

Special Civil Air Regulation No. SR-389A permits the airplanes listed in the occupant/exit table to carry additional occupants if additional exits are provided, except that in no case shall more

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than 8 additional occupants be carried for any one additional exit. The preamble to Civil Air Regulations Draft Release No. 58-11 stated that the intent of this provision was that no more than 8 additional occupants could be authorized if the most effective exit for emergency evacuation were provided, which, by reference to the rule proposed in the draft release, is seen to be one comparable to a Type I exit as prescribed in § 4b.362. As herein set forth, it is intended that as many as 8 additional occupants may be authorized with the addition of an exit of reasonably high effectiveness and that a lesser number of occupants would be authorized with the addition of a less effective exit. For the purpose of this regulation, it has been established that the addition of an exit, approximating a Type II or IV exit as prescribed in § 4b.362, would possibly permit the addition of 8 occupants. This relaxation over the rule proposed in Draft Release 58-11 was prompted by comments received to the draft release and the fact that a number of airplanes had already received approval to carry 8 additional occupants with the addition of an exit comparable to a Type IV based on the Administrator's interpretation of SR-389A. Justification for the relaxation is based upon the current requirements of § 4b.362 (c) wherein it may be seen that for the addition of a Type IV exit on each side, an increase of 30 passengers is permitted. While such a ratio is not advocated for airplanes covered by this special regulation because of other factors considered in establishing these values for § 4b.362, permitting 8 occupants to be added for a Type IV exit represents a more reasonable and realistic view than that proposed in Draft Release 58-11. Therefore, it is expressly provided herein that since the effectiveness of the exit varies with the type, size, and location, 8 additional occupants shall be authorized only when an exit comparable to a Type II or a Type IV exit as prescribed in § 4b.362 is provided.

Special Civil Air Regulation No. SR-389A does not contain provisions regarding the required reduction in occupancy when the number of exits is reduced. In order to cover such cases, it is provided herein that upon removal of any exit the maximum number of occupants shall be reduced by at least 8.

The occupant/exit table has been modified by listing the "L-1049 Series" in lieu of the "L-1049," and the "CV-340 and CV-440" in lieu of the "CV-340."

Interested persons have been afforded an opportunity to participate in the making of this regulation (23 F. R. 3275), and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, the Civil Aeronautics Board hereby makes and promulgates the following Special Civil Air Regulation, effective January 30, 1959.

1. Contrary provisions of the Civil Air Regulations notwithstanding, no large airplane (more than 12,500 pounds maximum certificated take-off weight) while carrying passengers for hire shall be operated with occupants in excess of the number

permitted by applying the provisions of § 4b.362 (a), (b), and (c) of Part 4b of the Civil Air Regulations as amended by Amendment 4b-5, effective April 9, 1957, except that airplane types listed in the following table may be operated with the listed maximum number of occupants (including all crew members) and the listed corresponding number of exits (including emergency exits and doors) heretofore approved by the Administrator for emergency egress of passengers.

2. Additional occupants above the values listed in the table may be carried if additional exits are provided, except that in no case shall more than 8 additional occupants be carried for any one additional exit. For the addition of exits comparable to at least a Type II or Type IV exit as prescribed in § 4b.362, a maximum of 8 additional occupants may be authorized and for exits not comparable to at least a Type II or Type IV exit, the Administrator after consideration, among other factors, of the type, size, and location of the exit, may authorize a lesser number of additional occupants.

3. For airplanes which have a ratio (as computed from the table in this special regulation) of maximum number of occupants to number of exits greater than 14:1 and for airplanes which do not have installed at least one full-size door-type exit in the side of the fuselage in the rearward portion of the cabin, the first additional exit approved by the Administrator for increased occupancy shall be a floor-level exit not less than 24 inches wide by 48 inches high located in the side of the fuselage in the rearward portion of the cabin. In no case shall an occupancy greater than 115 be allowed unless there is such an exit on each side of the fuselage.

4. The maximum number of occupants authorized (listed in the table) shall be reduced where the number of approved exits is less than that shown in the table. The reduction in the maximum number of occupants for each exit eliminated shall be determined by the Administrator taking due account of the effectiveness of the remaining exits for emergency evacuation, except that the maximum number of occupants shall be reduced by at least 8 for each eliminated exit. In no case, when exits are deleted, shall the resulting ratio of occupants to exits be greater than 14:1, and there shall be at least one exit on each side of the fuselage irrespective of the number of occupants.

Airplane type	Maximum number of occupants including all crew members	Corresponding number of exits authorized for passenger use
B-307.....	61	4
B-377.....	96	9
C-46.....	67	4
CV-240.....	53	6
CV-340 and CV-440.....	53	6
DC-3.....	35	4
DC-3 (Super).....	39	5
DC-4.....	86	5
DC-6.....	87	7
DC-6B ¹	112	11
L-18.....	17	3
L-049, L-040, L-749.....	87	7
L-1049 series.....	96	9
M-202.....	53	6
M-404.....	53	7
Viscount 700 series.....	53	7

¹ The DC-6A, if converted to a passenger transport configuration, will be governed by the maximum number applicable to the DC-6B.

This regulation supersedes Special Civil Air Regulation No. SR-389A as amended by Amendment No. 1 and shall remain effective until superseded or rescinded by the Board or the Administrator of the Federal Aviation Agency, as appropriate.

(Sec. 205 (a), 52 Stat. 984; 49 U. S. C. 425 (a). Interpret or apply secs. 601, 603, 604, 52 Stat. 1007, 1009, 1010; 49 U. S. C. 551, 553, 554; 62 Stat. 1216)

By the Civil Aeronautics Board.

[SEAL]

MABEL McCART,
Acting Secretary.

[F. R. Doc. 58-10799; Filed, Dec. 31, 1958; 8:50 a. m.]

[Civil Air Regs., Amdt. 60-14]

PART 60—AIR TRAFFIC RULES

Definition of Control Areas

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 29th day of December 1958.

Part 60 of the Civil Air Regulations comprises the air traffic rules and contains definitions pertaining thereto, one of which is "control area." Currently, the definition of control area specifies that such area extends " * * * upwards from an altitude of 700 feet above the surface * * * "

In Civil Air Regulations Draft Releases Nos. 57-11 and 57-27 the Bureau of Safety gave notice of proposals to amend the definition of control area by raising the "floor" of such areas above the present 700 feet. The objective of the proposals was to redefine the dimensions of control area so as to provide a more reasonable balance of the airspace requirements of both the IFR and VFR users of the airspace. The notices pointed to the variance of opinions between users of the airspace as to this issue and invited comments on various possibilities. Thus the issue was posed as to whether the floor should remain at or be raised above the 700-foot level up to a fixed level of 3,000 feet, and whether the level should be at one fixed altitude or subject to authority in the Administrator to make specific higher designations.

In light of the comments received the Board has concluded that it should take a middle course and establish the floor at a 1,500-foot minimum with flexible authority in the Administrator to designate higher floors where practicable in light of local conditions.

All the views expressed on this matter have been carefully taken into account and the reasoning for the respective views is understood and appreciated. While it is clear that an increase in the control area floor would create limitations for the IFR user it is equally clear that the minimum of 700 feet no longer provides adequately for the non-IFR user.

The Board is of the opinion that the floor of the control area should be raised to a higher minimum altitude. This floor will be at 1,500 feet; however, in recognition of the fact that the requirements for minimum flight altitudes for use under IFR may be higher than 1,500 feet in certain areas, this new definition permits the Administrator to raise the 1,500-foot floor where practicable to a higher altitude.

Raising the floor of a control area has a serious effect on related controlled air-

space, especially in airport terminal areas. The present relationship between "control zones" and "control areas" cannot continue to exist without complementary amendments either to the definition of control zones or the creation of another term to supply the distinction between the en route, terminal maneuvering areas, and landing and take-off areas.

In the past the procedure for designating controlled airspace, other than the continental control area, employed the terms "control area," "control area extensions," and "control zone." Generally speaking, control areas are normally designated along the civil airways. The term control area extension has been used in addition to other applications to encompass all the flight paths of aircraft maneuvering in an airport terminal area. Control zones serve to provide controlled airspace down to the surface for the landing and take-off phase of flight.

A review of all the problems associated with raising the control area floor has led to the conclusion that, insofar as the present application of controlled airspace at the airport and in the terminal area is concerned, no increase in the floor can be made without imposing severe and undue restrictions on IFR traffic. However, flights on route along the airways can absorb the loss of controlled airspace with a less adverse effect on the over-all system capacity.

These factors led to the conclusion that, if control zones remain substantially as they are and specific provision is made to provide for controlled airspace extending upwards from 700 feet to encompass all flight paths of aircraft maneuvering in a terminal area, the 1,500-foot "floor" of control area can be implemented and utilized in the most effective manner.

While the term control area extension has been used in a number of cases so as to provide the controlled airspace requirements in terminal areas, it is not entirely suitable for this particular requirement. It is believed more advisable to prescribe a new controlled airspace term which would serve the sole purpose of providing the terminal area controlled airspace requirements and the descriptive phrase "terminal control area" appears to be most suitable.

This revised structure will provide essentially for three segments of controlled airspace which can be classified into the en route, the terminal, and the landing and take-off phases of flight. For en route aircraft, the floor of the control area will be 1,500 feet. Additionally, this amendment provides that the Administrator may fix the floor at a higher altitude when he finds such higher altitude will not unduly restrict the flow of IFR air traffic. In an airport terminal area, where aircraft may be maneuvering at the lower altitudes, the floor of a terminal control area will be 700 feet. In the immediate vicinity of particular airports where aircraft will be landing and taking off, the control zone will continue to provide controlled airspace down to the surface. More simply, the floor of the controlled airspace structure will be 1,500 feet (or higher where the Adminis-

trator so designates) for the en route phase of flight; 700 feet in terminal areas; and, down to the surface in the vicinity of airports.

These changes when put into effect will provide that uncontrolled VFR traffic may be operated clear of clouds with one mile visibility below 700 feet when operating beneath a terminal control area and below 1,500 feet when operating below a control area when such control area is outside the terminal control area or a control zone. Under current procedure a minimum separation of at least 300 feet is provided between an aircraft operating IFR in a control area and a VFR aircraft operating beneath due to the fact that a VFR flight may be operated at or below 700 feet while an IFR flight must be at least 1,000 feet above the surface. The current minimum vertical separation of 300 feet will continue to exist between an IFR flight in a terminal control area and a VFR flight operating beneath. However, a minimum difference of 500 feet will be provided between such aircraft in control areas or the en route airway phase of flight. This minimum difference of 500 feet will be provided in the establishment of minimum en route altitudes which will not extend below 2,000 feet above the surface along airways or other control areas that are outside terminal control areas and control zones.

Although the changes being made by this amendment have been designed to minimize the impact on our controlled airspace structure, many preparatory modifications remain which have to be completed prior to full implementation of these revised rules.

Among the major projects which these changes will necessitate is the complete analysis of the present system to insure that all minimum IFR en route altitudes in affected control areas are set at or above 2,000 feet. In some cases this will require extensive flight checking and evaluation to adjust the minimum en route altitudes both on and off airways. Another significant consideration is the requirement for adequate terminal control areas around all airports at which instrument approaches are authorized.

The Administrator is of the view that because of the nature and extent of these modifications and the machinery through which they must be processed to insure that the over-all system is properly prepared to accommodate these changes, this amendment cannot become fully effective for one year. The Administrator has advised, however, that it will be feasible to implement these revised rules in part in certain areas at an earlier date. It is clear that early utilization of the provisions of these revised rules will materially aid in providing for the better utilization of airspace.

The problems encountered in developing a segregation of certain military flight activities from routine civil flight operations, for example, would be considerably less difficult if controlled airspace could in certain cases be designated with a fixed upper limit or a higher floor. Further, it is anticipated by the Administrator that along certain airways that

have a high minimum reception altitude the floor can be raised almost immediately. This would serve to provide more "elsewhere" or uncontrolled airspace which would otherwise be denied during the one year believed necessary for complete implementation.

While such a progressive implementation plan has considerable merit, it does pose the problem of having two different applications of controlled airspace in effect simultaneously. However, it is expected that the disadvantages of such a procedure can be minimized by proper notice in such publications as the Airman's Guide and by appropriate depiction on aeronautical charts. The advantages to be gained in the better utilization of airspace justify the use of the revised rules as early as the Administrator is able to implement them.

Accordingly, while the effective date of this amendment is set for January 1, 1960, provision is made for earlier implementation by the Administrator of any part of the amendment as soon as he may find such part can be effectively implemented.

These revisions require complementary changes to § 60.30. This section is being amended to include "terminal control area" and to allow flight outside controlled airspace to be conducted "clear of clouds" below 1,500 feet in lieu of the 700-foot floor previously provided.

In cases where the control area floor is raised to 1,500 feet or higher the provisions of § 60.30, "Basic VFR minimum weather conditions," as revised by this amendment shall apply. That is, if the control area floor in a particular area is raised to 1,500 feet or higher an aircraft may then be operated VFR (outside controlled airspace) in this area "clear of clouds" below 1,500 feet. Of course, in those instances where the Administrator has not taken affirmative action to raise the floor to 1,500 feet or higher the 700-foot floor of control areas shall continue in effect until January 1, 1960.

The Board in redefining the term "controlled airspace" herein does not intend nor should its action be interpreted as intending to supersede the authority of the Administrator to designate "positive control route segments" and the other provisions of Special Civil Air Regulation No. SR-424, adopted May 28, 1958.

Interested persons have been afforded an opportunity to participate in the making of this amendment (22 F. R. 3758 and 9868), and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends Part 60 of the Civil Air Regulations (14 CFR Part 60, as amended), effective on and after January 1, 1960, provided, that the Administrator may upon 30 days' notice make this amendment or any part thereof effective in any portion of airspace prior to this date.

1. By amending § 60.30 (a) (2) by changing the phrase "700 feet" in the two places it occurs to read "1,500 feet".

2. By amending § 60.30 (b) by redesignating subparagraph (3) as subpara-

graph (4), and by adding a new subparagraph (3) to read as follows:

§ 60.30 Basic VFR minimum weather conditions. * * *

(b) *Visibility within controlled airspace. * * **

(3) *Terminal control area.* When the flight visibility is less than 3 miles, no person shall operate an aircraft VFR within a terminal control area.

3. By amending § 60.30 (c) by changing the phrase "700 feet" in the second sentence to read "1,500 feet".

4. By adding a note with an asterisk after the current note following § 60.30 to read as follows:

*In those instances where the Administrator has not taken action to raise the floor of control area to 1,500 feet or higher, the 700-foot floor shall continue in effect until January 1, 1960.

5. By amending the "Basic VFR Minimums" chart attached to Amendment 60-11 (23 F. R. 6177) by adding "and terminal control area" after the words control area in the first column; by changing the headings "700 feet or below" and "above 700 feet" in the "Distance from Clouds" column to read "1,500 feet* or below" and "above 1,500 feet*", respectively; by changing the phrase "700 feet" in footnote 2 to read "1,500 feet*"; and by adding another footnote with an asterisk at the bottom of the chart to read: "*In those instances where the Administrator has not taken action to raise the floor of control area to 1,500 feet or higher, the 700-foot floor shall continue in effect until January 1, 1960."

6. By amending § 60.60 by deleting the definitions "Continental control area," "Control area," "Control zone," and "Controlled airspace" and by adding in proper alphabetical order the following new definition:

§ 60.60 Definitions. * * *

Controlled airspace. Controlled airspace is that airspace, designated by the Administrator as the continental control area, control area, terminal control area, or control zone, within which air traffic control service is provided. In Alaska and areas outside the continental United States, airspace designated as a control area or a terminal control area shall extend upwards without the upper limitation provided by the continental control area:

(1) *Continental control area.* The continental control area is an area which includes that airspace within the continental United States at and above 24,000 feet (mean sea level), exclusive of prohibited and restricted areas. The continental control area shall not include the airspace over Alaska.

(2) *Control area.* A control area and any extension thereto is an airspace of defined dimensions extending upwards from an altitude of 1,500 feet¹ above the surface or higher as designated by the Administrator. A control area shall extend upwards to the base of the con-

¹In those instances where the Administrator has not taken action to raise the floor of control area to 1,500 feet or higher, the 700-foot floor shall continue in effect until January 1, 1960.

tinental control area unless otherwise limited by the Administrator. Control areas are normally designated along airways and other segments of airspace required for en route and other traffic control service and protection.

(3) *Terminal control area.* A terminal control area is an airspace of defined dimensions extending upwards from 700 feet above the surface to the base of a control area. In the absence of an overlying control area, a terminal control area shall extend upwards to the base of the continental control area unless otherwise limited by the Administrator. Terminal control areas are intended to encompass the flight paths of aircraft maneuvering in the vicinity of an airport.

(4) *Control zone.* A control zone is an airspace of defined dimensions extending upwards from the surface to include one or more airports. Control zones are intended to encompass the flight paths of aircraft during take-off and landing and are normally a circular area of 5 miles radius with an extension along the instrument approach path.

(Sec. 205 (a), 52 Stat. 984; 49 U. S. C. 425 (a). Interpret or apply Sec. 601, 52 Stat. 1007, as amended; 49 U. S. C. 551)

By the Civil Aeronautics Board.

[SEAL]

MABEL McCART,
Acting Secretary.

[F. R. Doc. 58-10800; Filed, Dec. 31, 1958;
8:50 a. m.]

Chapter II—Federal Aviation Agency

PART 405—RULE MAKING PROCEDURES

Section 313 (a) of the Federal Aviation Act of 1958 empowers the Administrator of the Federal Aviation Agency to make and amend such general or special rules, regulations or procedures, pursuant to and consistent with the provisions of the Act, as he deems necessary to carry out such provisions and to exercise and perform his powers and duties thereunder.

In order to provide an appropriate procedural framework for exercising the rule making functions conferred upon the Agency by the new Act, this amendment repeals as of December 31, 1958, Part 405, "General Procedures", of the Procedural Regulations issued by the Civil Aeronautics Administration and adopts a revised Part 405, captioned "Rule Making Procedures." The Agency will follow the procedures required by the Administrative Procedure Act for prescribing both substantive rules, on the one hand, and interpretative rules, general statements of policy, rules of Agency organization, procedure and practice, on the other hand. Accordingly, the principal purpose of the revised part is to describe the general procedures which will be followed in issuing, amending, or repealing those substantive rules as to which the Administrative Procedure Act requires publication in the FEDERAL REGISTER of a notice of proposed rule making, and an opportunity for interested persons to comment, prior to promulgation.

Further, the procedures set forth herein will also be used in promulgating such other classes of rules as the Administrator may voluntarily determine should be issued upon notice and after opportunity for comment by interested persons. The rule making procedures herein prescribed will govern the promulgation of both "public rules" which are applicable to classes of persons and, where appropriate, "private rules" which are applicable only to a named party or parties. Additionally, the revised part prescribes the requirements of the Agency governing the contents of all petitions for rule making or for exemption from the requirements of a rule, issued under Title III or Title VI of the Act, and describes the action which will be taken by the Agency upon such petitions.

Since this amendment is not a substantive rule but one of Agency procedure, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, and in accordance with section 3 of the Administrative Procedure Act, I hereby repeal Part 405 of the regulations of the Administrator of Civil Aeronautics and adopt the following revised part in lieu thereof, effective December 31, 1958:

Subpart A—Introduction

Sec.

405.1 Definition of terms.

Subpart B—Rules Applicable to Rule Making Proceedings

- 405.11 Scope of rule making.
- 405.12 Initiation of rule making procedures.
- 405.13 Petition for rule making.
- 405.14 Action on petitions for rule making.
- 405.15 Notice of proposed rule making.
- 405.16 Participation by interested persons in rule making proceedings.
- 405.17 Additional rule making proceedings.
- 405.18 Participation by the Board in rule making proceedings.
- 405.19 Petitions for exemption.
- 405.20 Action on petitions for exemption.
- 405.21 Request for informal appearances.

AUTHORITY: §§ 405.1 to 405.21 issued under Sec. 313 (a) of the Federal Aviation Act of 1958, Act of August 23, 1958, 72 Stat. 752 (Pub. Law 85-726). Interpret or apply Sec. 1001; 72 Stat. 788 (Pub. Law 85-726).

Subpart A—Introduction

§ 405.1 Definition of terms.

As used in this part:

- (a) "Act" means the Federal Aviation Act of 1958.
- (b) "Administrator" means the Administrator of the Federal Aviation Agency, or his designee.
- (c) "Agency" means the Federal Aviation Agency.

Subpart B—Rule Making Proceedings

§ 405.11 Scope of rule making.

(a) The procedures described in this subpart relate to the issuance, amendment, or repeal of substantive rules, including those applicable to a class of persons or addressed to and served upon named persons whenever the Administrator determines that such rules should be adopted through the use of public rule making procedures;

(b) Normally, the Agency will issue notices of proposed rule making and permit the participation of interested persons

sons whenever a substantive rule is involved unless the Agency for good cause finds (and incorporates the finding and a brief statement of the reasons therefor in the rules issued) that notice thereon is impracticable, unnecessary, or contrary to the public interest. As a general rule, interpretative rules, general statements of policy, and rules of Agency organization, procedure or practice will be promulgated as final rules without notice or rule making procedure thereon. However, when the Administrator determines that notice and rule making procedures should be followed in promulgating such interpretative, policy, organizational and procedural rules, the provisions of this subpart will also apply;

(c) When the Administrator so determines, the procedures described in this subpart will apply to the exemption of individuals or a class from the requirements of any substantive rule.

§ 405.12 Initiation of rule making procedures.

Rule making procedures will be initiated by the Administrator, upon his own motion: *Provided*, That in so doing, he will give due consideration to the recommendations of other agencies of Government, and the petitions of other interested persons as hereinafter provided.

§ 405.13 Petition for rule making.

Any interested person may petition the Administrator to issue, amend, or repeal any rule without regard to whether it is a substantive rule within the purview of § 405.11. The petition shall set forth the substance or text of the proposed rule or amendment thereof, or shall specify the rule sought to be repealed, shall contain all facts, views, arguments and data deemed to support the action requested, and shall indicate the interests of petitioner therein. Upon filing with the Agency, petitions for rule making will become public records available for inspection by any interested person.

§ 405.14 Action on petitions for rule making.

No public hearing, argument, or other formal proceedings will be directly held on petitions filed pursuant to § 405.13 prior to their disposition by the Agency. If the Administrator determines that the petition discloses sufficient reasons to warrant such action, he will issue an appropriate notice of proposed rule making or, in proper circumstances, adopt an appropriate final rule. If the Administrator determines that the petition is not sufficiently meritorious to justify instituting a rule making proceeding or granting the requested relief, the Administrator will notify the petitioner to that effect.

§ 405.15 Notice of proposed rule making.

A general notice of proposed rule making will be published in the FEDERAL REGISTER unless all persons subject to the proposed rule are named and personally served with such notice. The notice, whether published or personally served, shall include: (a) A statement of the

time, place, and nature of the proposed rule making proceeding; (b) Reference to the authority under which issued; (c) A description of the subjects and issues involved or the substance and terms of the proposed rule; (d) A statement of the time within which written comments must be submitted and the number of required copies; (e) A description of the nature and extent of the opportunity to participate in such rule making proceeding pursuant to §§ 405.16 and 405.17, which will be afforded interested parties.

§ 405.16 Participation by interested persons in rule making proceedings.

All interested persons will be afforded an opportunity to participate in the rule making proceeding through the submission of written data, views, or arguments. The opportunity to participate may, at the discretion of the Administrator, include an opportunity to comment upon or respond to the original data, views, or arguments submitted by other parties when, after reviewing the original data, views, and arguments submitted, such action appears necessary or desirable. In appropriate cases, the Administrator may also afford interested parties the right to participate in rule making proceedings of the type generally described in § 405.17.

§ 405.17 Additional rule making proceedings.

The procedure to be followed in rule making shall also encompass such further procedural steps as will best serve the purposes of the particular proceeding. For example, interested persons may also be afforded the opportunity of presenting oral argument, of participating in a conference between the Administrator or his representatives and interested persons and organizations, of appearing at informal hearings presided over by a designated official of the Agency, at which a stenographic transcript is made, or of participating in any other procedure which appears to be desirable and appropriate in order to insure informed administrative action and adequate protection of private interests. Moreover, any appropriate combination of the foregoing procedures may be employed in addition to the basic procedure of permitting interested persons to participate in the rule making proceeding through submission of written data, views, or arguments.

§ 405.18 Participation by the Board in rule making proceedings.

Pursuant to section 1001 of the Act, the Board may enter its appearance and participate as an interested party in any proceeding conducted by the Administrator under Title III and in those Title VI proceedings where the Administrator's action may not be appealed to the Board. In order to indicate its intention to participate, the Board may file written data, views, or arguments in response to a notice of proposed rule making issued by the Administrator, shall have the full benefit of all other procedural privileges accorded to the other interested parties, and shall be equally free to participate.

§ 405.19 Petitions for exemption.

Any interested person or class of persons may petition the Administrator for a temporary or permanent exemption from any rule issued under Title III or VI of the Act. The petition shall set forth the substance or text of the rule from whose requirements exemption is sought, shall set forth the relief requested, shall contain all facts, views, arguments and data deemed to support the action requested, and shall indicate how the interests of the petitioner are affected. Upon filing with the Agency, petitions for exemption will become public records available for inspection by any interested person.

§ 405.20 Action on petitions for exemption.

No public hearing, argument, or other formal proceedings will be directly held on petitions filed pursuant to § 405.19 prior to their disposition by the Agency. If the Administrator determines that the petition discloses sufficient reasons to warrant such action, he will issue an appropriate notice of proposed rule making or, in proper circumstances, adopt an appropriate final rule embodying such exemption. If the Administrator determines that the petition is not sufficiently meritorious to justify instituting a rule making proceeding or granting the requested relief, the Administrator will notify the petitioner to that effect.

§ 405.21 Request for informal appearances.

Any interested person may request and will be granted an opportunity to appear informally before the proper official or officials of the Agency for the presentation, adjustment, or determination of a question or controversy pertaining to a rule making function of the Agency. A request for such an appearance shall be submitted in writing and addressed to the Federal Aviation Agency, Washington 25, D. C., or to its nearest Regional or District Office.

This part shall become effective on December 31, 1958.

E. R. QUESADA,
Administrator.

[F. R. Doc. 58-10757; Filed, Dec. 31, 1958;
8:45 a. m.]

[Amdt. 11]

PART 406—CERTIFICATION PROCEDURES

Repeal of Procedures

Sections 406.31-406.62, inclusive, containing the procedures for the alteration, amendment, modification, suspension and revocation of certificates, adopted by the Administrator of Civil Aeronautics under the Civil Aeronautics Act of 1938, as amended, are hereby repealed. These matters are now treated in Part 408, regulations of the Federal Aviation Agency (14 CFR, Part 408).

This amendment shall become effective December 31, 1958.

(Sec. 313 (a) of the Federal Aviation Act of 1958, Act of August 23, 1958, 72 Stat. 752 (Pub. Law 85-726). Interpret or apply Secs. 609, 1501; 72 Stat. 779, 809)

E. R. QUESADA,
Administrator.

[F. R. Doc. 58-10758; Filed, Dec. 31, 1958;
8:45 a. m.]

PART 408—ENFORCEMENT PROCEDURES

Under the provisions of the Federal Aviation Act of 1958, the Administrator of the Federal Aviation Agency is empowered (1) to administer and enforce the provisions of the Act and rules, regulations, and certificates issued pursuant to such provisions, and (2) to make and amend such general or special rules, regulations, and procedures as he deems necessary to exercise and perform such powers and duties. The regulations contained in this part are necessary to provide procedures for carrying out the Federal Aviation Act of 1958 on December 31, 1958, the effective date of the enforcement provisions of that Act.

Effective December 31, 1958, Part 408 of the Regulations of the Administrator of Civil Aeronautics is hereby repealed, and a new Part 408 containing the enforcement procedures of the Federal Aviation Agency is hereby adopted to read as follows:

Subpart A—Introduction

Sec.
408.1 Definition of terms.

Subpart B—Processes Used in Enforcement

408.11 Report channels.
408.12 Investigations.

Subpart C—Actions Taken in Enforcement

408.21 Record.
408.22 Reprimands.
408.23 Civil penalties.
408.24 Seizure of aircraft.
408.25 Certificate action.
408.26 Military aircraft.
408.27 Criminal penalties.

AUTHORITY: §§ 408.1-408.27 issued under sec. 313 (a) of the Federal Aviation Act of 1958, Act of August 23, 1958, 72 Stat. 752 (Pub. Law 85-726). Interpret or apply Secs. 601, 609, 901, 902, 903, 1001, 1002; 72 Stat. 775, 779, 783, 784, 786, 788.

Subpart A—Introduction

§ 408.1 Definition of terms.

As used in this part:

(a) "Act" means the Federal Aviation Act of 1958.

(b) "Administrator" means the Administrator of Federal Aviation Agency, or his designee.

(c) "Agency" means the Federal Aviation Agency.

Subpart B—Processes Used in Enforcement

§ 408.11 Report channels.

Violations of the Act or any rule, regulation, or order issued thereunder, may be reported by any person having knowledge of such violations, to the appropriate personnel of the Agency assigned to one of the Agency's regional or district

offices. Such a report will be investigated by personnel of the Agency and the results of such investigation will constitute the basis for determining the action to be taken by the Administrator.

§ 408.12 Investigations.

Under section 313 of the Act, the Administrator in the conduct of any public hearings or investigations regarding violations of the Act or any rules, regulations, or orders issued thereunder, is authorized to take evidence, issue subpoenas, take depositions, and compel testimony in the manner provided in section 1004 of the Act. The General Counsel and, when specifically authorized by him, the Agency's Regional Attorneys and personnel of the General Counsel's Office in Washington may undertake such investigations: (a) In complicated cases to procure and preserve business records where copying them would be impractical, (b) in accident cases, (c) in civil penalty cases to fix the amount that should be accepted in compromise, (d) in doubtful cases to determine whether any action should be taken, and (e) in such other types of cases as the Administrator may specifically prescribe.

Subpart C—Actions Taken in Enforcement

§ 408.21 Record.

A report of a violation may be filed for record if it appears, after investigation by the Agency, that the violations were inadvertently committed, were of an insignificant nature, or will not be repeated by the violator.

§ 408.22 Reprimands.

A letter may be sent to the violator reprimanding him for minor violations he is reported to have committed, and pointing out to him that the report will be considered in determining the action to be taken regarding any future violations reported against him.

§ 408.23 Civil penalties.

Under section 901 of the Act, any person who violates any provision of Titles III, V, VI, or XII of the Act, or any rule, regulation, or order issued thereunder, shall be subject to a civil penalty not to exceed \$1,000 for each such violation.¹ Such civil penalty may be compromised by the Administrator. In the event imposition of a civil penalty is contemplated by the Administrator, and it is considered advisable to compromise such penalty, a Regional Attorney or the General Counsel of the Agency will send a letter to the violator advising as to the charges against him, stating what laws, rules, regulations, or orders have been violated, and affording an opportunity to compromise the civil penalty. The violator may submit to the official signing the letter, either orally or in writing, any material or information in answer to the charges, explaining, mitigating or denying the occurrence of the violation, or showing extenuating circumstances. Any material or information thus submitted will be considered in making the

¹ The same is true for violations of Title VII, but the Civil Aeronautics Board has cognizance of those violations.

final determination as to probable existence of liability for a civil penalty, or the amount for which it will be compromised. If an offer is tendered to compromise the penalty for a specific amount, a certified check or money order in that amount, made payable to the Federal Aviation Agency, should be attached. The General Counsel of the Agency, or the Regional Attorney handling the case, will accept or refuse the offer of compromise. When scheduled and irregular air carriers and their personnel, air taxi operators, commercial operators, and certificated repair stations are involved, only the General Counsel of the Agency will accept or refuse the offer of compromise. If the offer of compromise is accepted, the violator will be notified by letter of its acceptance and that such acceptance constitutes full settlement of any civil penalties incurred by the violator. If a compromise settlement of the civil penalty cannot be effected, the Agency will, in an appropriate case, instigate proceedings in the United States District Court, pursuant to section 903 of the Act, for the purpose of collecting the civil penalty due.

§ 408.24 Seizure of aircraft.

(a) *Authority to seize aircraft.* Under section 903 of the Act, when an aircraft is involved in a violation for which a civil penalty may be imposed upon its owner or operator, such aircraft may be summarily seized by any state or Federal law enforcement officer or Federal Aviation Agency safety inspector authorized in an order of seizure issued by the Regional Administrator of the region in which the aircraft is located.

(b) *Custody of seized aircraft.* When an aircraft has been seized pursuant to this section, it will be placed in the nearest available adequate public storage facility in the judicial district in which the seizure is made.

(c) *Notice of seizure.* When an aircraft has been seized pursuant to this section, a written notice and a copy of this section will be sent without delay by the Regional Administrator to the registered owner of, and to other persons having a recorded interest in, the aircraft according to the records of the Federal Aviation Agency. The written notice will state:

(1) The time, date, and place of seizure;

(2) The name and address of the custodian of the aircraft;

(3) The reasons for the seizure, including the violations believed, or judicially determined, to have been committed; and

(4) The amount which may be tendered;

(i) As an offer in compromise of any civil penalties which might have been incurred as a result of the alleged violation, or

(ii) As payment of civil penalties which have been imposed by a Federal court as a result of the established violations.

(d) *Report of seizure.* When an aircraft has been seized pursuant to this section, a report of the cause will be transmitted immediately by the Regional

Administrator to the United States Attorney for the judicial district in which the seizure is made, requesting the United States Attorney to institute proceedings for the enforcement of the lien.

(e) *Release of seized aircraft.* When an aircraft has been seized pursuant to this section, it will be released by direction of the Regional Administrator under any one of the following conditions:

(1) Upon payment of the civil penalty or the amount agreed upon in compromise, and the costs incurred in connection with the seizure, storage, and maintenance of the aircraft;

(2) Upon seizure of the aircraft pursuant to process of a Federal court in proceedings in rem for enforcement of a lien against the aircraft, or notification by the United States Attorney of refusal to institute such proceedings; or

(3) Upon deposit of a bond in such amount and with such sureties as the Regional Administrator may prescribe, conditioned upon payment of the penalty or the amount agreed upon in compromise, and the costs incurred in connection with the seizure, storage, and maintenance of the aircraft.

§ 408.25 Certificate action.

(a) Under section 609 of the Act, the Administrator may reinspect any civil aircraft, aircraft engine, propeller, appliance, air navigation facility, or air agency, or may reexamine any civil airman. If, as a result of any such reinspection, reexamination, or any other investigation made by the Administrator, he determines that safety in air commerce or air transportation and the public interest requires such action, he may issue an order amending, modifying, suspending, or revoking, in whole or in part, any type certificate, production certificate, airworthiness certificate, airman certificate, air carrier operating certificate, air navigation facilities certificate, or air agency certificate. Prior to issuing such an order, the Agency's General Counsel or Regional Attorney will advise the certificate holder as to the charges or other reasons relied upon by the Administrator for the proposed action and, except in case of emergency, provide him an opportunity to answer any charges to be heard as to why such certificate should not be amended, modified, suspended, or revoked. At his option, the holder may answer the charges in writing, or he or his representative may make a personal presentation before an appropriate representative of the Administrator at a designated office of the Agency. After due consideration thereof, the holder will be informed of the decision of the Agency by the General Counsel or Regional Attorney.

(b) Any person whose certificate is affected by an order issued under this section may appeal to the Civil Aeronautics Board. The filing of an appeal with the Board stays the effectiveness of the Administrator's order unless the Administrator advises the Board that an emergency exists and safety in air commerce or air transportation requires the immediate effectiveness of his order.

§ 408.26 Military aircraft.

When a report reveals that violations have been committed by members of the Armed Forces of the United States or those civilian employees of the Department of Defense who are subject to the provisions of the Uniform Code of Military Justice, while engaged in the performance of their official duties, copies of the report will be forwarded by the Administrator to the appropriate military authorities in order that they may take such disciplinary actions as they consider appropriate and report back to the Administrator thereon.

§ 408.27 Criminal penalties.

(a) Under section 902 (a) of the Act, any person who knowingly and willfully violates any provision of the Act (except Titles III, V, VI, VII, and XII), or any rule, regulation, or order issued under such provision, for which no penalty is otherwise provided in the Act, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine.

(b) Under section 902 of the Act, any person who knowingly and willfully forges, counterfeits, alters, or falsely makes any certificate authorized to be issued under the Act, or knowingly uses or attempts to use any such fraudulent certificates, and any person who knowingly and willfully displays and causes to be displayed on any aircraft, any marks that are false and misleading as to the nationality or registration of such aircraft, shall be subject to fine or imprisonment, or both.

(c) Under section 902 (c), any person who, with intent to interfere with air navigation within the United States, exhibits within the United States any light or signal at such place or in such manner that it is likely to be mistaken for a true light or signal established pursuant to the Act, or for a true light or signal in connection with an airport or air navigation facility; or after due warning by the Administrator continues to maintain any misleading light or signal; or knowingly removes, extinguishes, or interferes with the operation of any such true light or signal, shall be subject to fine or imprisonment, or both. If it appears from a report received by the Agency that any of these offenses has been committed, the Administrator will, in an appropriate case, send the report to the United States Department of Justice for criminal prosecution of the person who committed the offense.

E. R. QUESADA,
Administrator.

[F. R. Doc. 58-10759; Filed, Dec. 31, 1958; 8:45 a. m.]

PART 450—INTER-AMERICAN AVIATION TRAINING GRANTS

This amendment revises procedures concerning the award and administration of Inter-American Aviation Training Grants, to eliminate references to the Secretary of Commerce. It is re-

quired in order to give effect to the Federal Aviation Act of 1958, which places in the Administrator of the Federal Aviation Agency certain functions with respect to these grants which were formerly vested in the Secretary of Commerce by the Civil Aeronautics Act of 1938, as amended by Reorganization Plans III and IV of 1940, and Reorganization Plan V of 1950. Since the amendment is concerned with matters relating to agency management, grants and benefits, and does not adversely affect any member of the public, notice and public procedure thereon are deemed to be unnecessary.

1. Section 450.4 is amended by deleting the words "Secretary of Commerce and the" from the first sentence of that section.

2. Section 450.7 is amended by deleting the words "Secretary of Commerce and the" from the last sentence of that section.

(Sec. 313 (a) of the Federal Aviation Act of 1958, Act of August 23, 1958, 72 Stat. 752 (Pub. Law 85-726))

This amendment shall become effective December 31, 1958.

E. R. QUESADA,
Administrator.

[F. R. Doc. 58-10760; Filed, Dec. 31, 1958; 8:45 a. m.]

PART 608—RESTRICTED AREAS

This amendment changes the statements as to the authority for this part by substituting for the previous reference to the Civil Aeronautics Act of 1938, an appropriate reference to the Federal Aviation Act of 1958, and readopts §§ 608.2 to 608.64, inclusive, as previously adopted by the Administrator of Civil Aeronautics. Since no substantive changes other than those accomplished by the enactment of the Federal Aviation Act of 1958 are made by this amendment, notice and public procedure thereon are found to be unnecessary.

1. The citation of authority is amended to read as follows:

AUTHORITY: §§ 608.1 to 608.64 issued under sec. 313 (a) of the Federal Aviation Act of 1958, Act of August 23, 1958, 72 Stat. 752 (Pub. Law 85-726). Interpret or apply sec. 307 (a) and 307 (c); 72 Stat. 749, 750 (Pub. Law 85-726).

2. Section 608.1 is amended to read as follows:

§ 608.1 Basis.

This part is issued pursuant to sections 313 (a) and 307 (a) and (c) of the Federal Aviation Act of 1958, Act of August 23, 1958, 72 Stat. 731 (Pub. Law 85-726).

3. Sections 608.2 to 608.64 as previously adopted and amended by the Administrator of Civil Aeronautics are readopted.

This amendment shall become effective on December 31, 1958.

E. R. QUESADA,
Administrator.

[F. R. Doc. 58-10761; Filed, Dec. 31, 1958; 8:45 a. m.]

Title 20—EMPLOYEES' BENEFITS

Chapter II—Railroad Retirement Board

SUBCHAPTER C—REGULATIONS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT

PART 330—DETERMINATION OF DAILY BENEFIT RATES

Pursuant to the general authority contained in section 12 of the act of June 25, 1938 (52 Stat. 1094, 1107; 45 U. S. C. 362), Part 330 of the regulations under such act is adopted by Board Order 58-153, dated December 12, 1958, to read as follows:

- Sec.
330.1 Statutory provisions.
330.2 Daily rate of compensation.
330.3 Last employment in which the employee engaged for an employer in the base year.
330.4 Information furnished to the Board about daily rate of compensation.
330.5 Use of daily rate of compensation in determining daily benefit rate.

AUTHORITY: §§ 330.1 to 330.5 issued under sec. 12, 52 Stat. 1107, as amended; 45 U. S. C. 362.

§ 330.1 Statutory provisions.

* * * The benefits payable to any * * * employee for each * * * day of unemployment or sickness shall be the amount appearing in the following table in column II on the line on which, in column I, appears the compensation range containing his total compensation with respect to employment in his base year:

Column I, total compensation	Column II, daily benefit rate
\$400 to \$499.99	\$3.50
\$500 to \$749.99	4.00
\$750 to \$999.99	4.50
\$1,000 to \$1,299.99	5.00
\$1,300 to \$1,599.99	5.50
\$1,600 to \$1,999.99	6.00
\$2,000 to \$2,499.99	6.50
\$2,500 to \$2,999.99	7.00
\$3,000 to \$3,499.99	7.50
\$3,500 to \$3,999.99	8.00
\$4,000 and over	8.50

Provided, however, That if the daily benefit rate in column II with respect to any employee is less than an amount equal to 50 per centum of the daily rate of compensation for the employee's last employment in which he engaged for an employer in the base year, such rate shall be increased to such amount but not to exceed \$8.50. The daily rate of compensation referred to in the last sentence shall be as determined by the Board on the basis of information furnished to the Board by the employee, his employer, or both * * *. (Section 2 (a), Railroad Unemployment Insurance Act.)

§ 330.2 Daily rate of compensation.

The employee's daily rate of compensation includes his straight-time rate and any cost-of-living allowance provided in the applicable working agreement, and excludes any overtime, penalty payment, or other special allowance except as hereinafter provided. Where a daily pay rate is reported, it shall, in the absence of information to the contrary, and subject to the considerations set forth in this section and in §§ 330.3, 330.4 and 330.5, be considered to show the daily rate of compensation of the employee by or for whom the report

has been furnished. If there is information that the reported daily pay rate fails to show the employee's daily rate of compensation, proper action shall be taken to determine such daily rate of compensation. Where a rate other than a daily rate is reported, it shall be converted to a daily rate as follows:

(a) *Hourly, weekly or monthly rate.* An hourly rate shall be converted to a daily rate by multiplying such hourly rate by the number of hours constituting a working day for the employee's occupation or class of service. A weekly or monthly rate shall be converted to a daily rate by dividing such rate by the number of working days constituting the work week or work month, as the case may be, for the employee's occupation or class of service.

(b) *Mileage rate.* Where a mileage rate is reported, it shall be considered that the employee's daily rate of compensation is his rate of pay for 150 miles in passenger service, or 100 miles in freight service, including any allowance per 150 miles or per 100 miles which is added to his basic rate per 150 miles or per 100 miles.

(c) *Piece rate or tonnage rate.* Where a piece rate or tonnage rate is reported, the daily rate of compensation shall be determined by computing the employee's average earnings per day for the days on which he worked substantially full time (excluding any overtime or penalty rates) at such piece rate or tonnage rate during the last two pay periods in which he engaged in such work in the base year.

(d) *Commissions or percentage of sales.* Where the compensation reported consists of or includes commissions or percentage of sales, the daily rate of such commissions or percentage of sales shall be determined by computing the employee's average net commission or percentage earnings (exclusive of any amounts he received to compensate him for expenses) per day for the days in the last two pay periods in which he worked on a commission or percentage basis in the base year.

(e) *International service.* In the case of an employee who, on his last day of employment in the base year, worked partly outside the United States and partly in the United States for an employer which does not conduct the principal part of its business in the United States, the daily rate of compensation shall be determined in the same manner as it would if all his service on that day had been rendered in the United States.

§ 330.3 Last employment in which the employee engaged for an employer in the base year.

"The employee's last employment in which he engaged for an employer in the base year," means generally the employee's last "service performed as an employee" within the meaning of section 1 (g) of the Act: *Provided however*, That, if an employee actually performed no service as an employee in the base year, but received qualifying compensation, such as vacation pay or pay for time lost, for days in such base year, it shall be considered that the last employment in which he engaged for an employer in the base year was the employment on which

the qualifying base year compensation was based; and the daily rate of such compensation shall be deemed to be the employee's daily rate of compensation for purposes of determining his daily benefit rate: *And provided further*, That if an employee's last service performed as an employee in the base year was casual or temporary work, performed while he was on furlough from other employment in which he engaged in the base year, a report of the employee's last rate of pay in the base year for such other employment may be used to determine his daily benefit rate.

§ 330.4 Information furnished to the Board about daily rate of compensation.

Each employee applying for benefits, who is not otherwise entitled to the maximum daily benefit rate, shall be afforded an opportunity to furnish, on a form provided by the Board, information to show the daily rate of his compensation for the last employment in which he engaged for an employer in the base year. The employer who paid compensation to such an employee, for the last employment in which the employee is considered to have engaged in the base year, shall be afforded an opportunity to furnish information to verify or correct the information furnished by the employee about the daily rate of his compensation for the last employment in which he engaged for that employer in the base year, provided such information is needed for determining the employee's daily benefit rate. Arrangements for employers to furnish such information may include, but need not be limited to, (a) arranging for unemployment claims agents or other employer officials to verify or correct, to the extent practicable, the employees' pay rate reports before such reports are forwarded to the Board and (b) sending to the appropriate employers, for verification or correction the pay rate reports furnished by the employees applying for benefits.

§ 330.5 Use of daily rate of compensation in determining daily benefit rate.

(a) *Initial determination.* If the daily benefit rate specified in section 2 (a) of the Act for the amount of the employee's base year compensation is less than the maximum daily benefit rate, it shall be compared to one-half of the daily rate (up to \$17.00) of his compensation for the last employment in which he engaged for an employer in the base year; and whichever is the greater shall be established as the employee's daily benefit rate for the benefit year. For this purpose, the office processing the employee's application for benefits may use the information furnished (1) on a verified pay rate report, or (2) on an unverified pay rate report showing a rate of compensation not inconsistent with the usual rates of pay in the occupation shown as the employee's last employment in the base year. If the rate of compensation shown on an unverified pay rate report appears to be inconsistent with the usual rate for the employee's last employment in the base year, the daily benefit rate to which his base year compensation entitles him

shall be used pending correction or verification of his pay rate report.

(b) *Redetermination.* When an unverified pay rate report has been verified or corrected, appropriate redetermination of the daily benefit rate initially established for the employee shall be made, and such redetermined benefit rate shall be applied to all of the employee's days of unemployment or sickness in the benefit year.

Dated: December 24, 1958.

By authority of the Board.

[SEAL]

MARY B. LINKINS,
Secretary of the Board.

[F. R. Doc. 58-10786; Filed, Dec. 31, 1958;
8:48 a.m.]

Title 31—MONEY AND FINANCE: TREASURY

Chapter V—Foreign Assets Control, Department of the Treasury

PART 500—FOREIGN ASSETS CONTROL REGULATIONS

Importation of and Dealings in Certain Merchandise

Section 500.204 is hereby amended to read as follows:

§ 500.204 Importation of and dealings in certain merchandise.

(a) Except as specifically authorized by the Secretary of the Treasury (or any person, agency, or instrumentality designated by him) by means of regulations, or rulings, instructions, licenses, or otherwise, no person subject to the jurisdiction of the United States may purchase, transport, import, or otherwise deal in or engage in any transaction with respect to any merchandise outside the United States if such merchandise is:

(1) Merchandise the country of origin of which is China (except Formosa) or North Korea. Articles which are the growth, produce, or manufacture of China (except Formosa) or North Korea shall be deemed for the purposes of this chapter to be merchandise whose country of origin is China (except Formosa) or North Korea notwithstanding that they may have been subjected to one or any combination of the following in another country: (i) Grading; (ii) testing; (iii) checking; (iv) shredding; (v) slicing; (vi) peeling or splitting; (vii) scraping; (viii) cleaning; (ix) washing; (x) soaking; (xi) drying; (xii) cooling, chilling, or refrigerating; (xiii) roasting; (xiv) steaming; (xv) cooking; (xvi) curing; (xvii) combining of fur skins into plates; (xviii) blending; (xix) flavoring; (xx) preserving; (xxi) pickling; (xxii) smoking; (xxiii) dressing; (xxiv) salting; (xxv) dyeing; (xxvi) bleaching; (xxvii) tanning; (xxviii) packing; (xxix) canning; (xxx) labeling; (xxxi) carding; (xxxii) combing; (xxxiii) pressing; (xxxiv) any process similar to any of the foregoing. Any article wheresoever manufactured shall be deemed for the purposes of this chapter to be merchandise

whose country of origin is China (except Formosa) or North Korea, if there shall have been added to such article any embroidery, needle point, petit point, lace, or any other article of adornment which is the product of China (except Formosa) or North Korea notwithstanding that such addition to the

merchandise may have occurred in a country other than China (except Formosa) or North Korea.

(2) Merchandise specified in this subparagraph, howsoever processed, unless such merchandise is imported directly from a country named as excepted for that type of merchandise:

Type of merchandise	Exceptions
(1) All merchandise, not elsewhere specified in this paragraph, if prior to Dec. 17, 1950, imports thereof into the United States were chiefly of Chinese origin within the meaning of this chapter, and	None.
(ii) All of the following specified types of merchandise:	
Aniseed	Mexico, Spain, Turkey.
Aniseed oil	None.
Antiques, Chinese type (other than Chinese porcelain which qualifies within the provisions of par. 1811 of the Tariff Act of 1930 and which is decorated with the armorial bearings, crests, monograms, cyphers, or badges of European or American families or societies or bearing motifs based thereon, or with European or American political, memorial, or Masonic scenes or devices or with European or American figures, ships, or other scenes, or with motifs or inscriptions in English, Latin, or any other European language).	None.
Bamboo, split	None.
Beverages, Chinese type	None.
Braids, straw	Italy, Japan.
Bristles, hog, including such bristles in knots or other processed condition.	None.
Brushes, paint (including parts thereof) regardless of value, containing hog bristles, if any such bristle is more than one and one half inches in total length or more than one and one quarter inches in length out of the ferrule.	None.
Carpet wool, Tibetan and Nepalese types	None.
Cashmere	Iran.
Cassia	Indonesia.
Cassia oil	None.
Cinnamon oil	Ceylon, Seychelles.
Drugs, Chinese type	None.
Eggs, poultry:	
Whole in the shell, other than chicken	None.
Whole, dried	None.
Albumen, dried	None.
Yolks, dried	None.
Others and down, Asiatic	Burma, India, Taiwan, Thailand, and those areas of Vietnam which are not under Communist control.
Firecrackers	None.
Floor coverings, grass and straw, including seagrass mats and squares.	Japan.
Foodstuffs, Chinese type	None.
Fur skins:	
Goat and kid	Argentina, Ethiopia (including Eritrea), Iran, Iraq.
Kolinsky	Republic of Korea.
Weasel	Canada.
Gallnuts, including tannic acid, other than Aleppo	None.
Garments, Chinese type	None.
Ginger root, candied or otherwise prepared or preserved	None.
Hair, human:	
Raw, Asiatic	None.
Nets and netting	None.
Hats, unfinished:	
Manila hemp (Abaca)	None.
Palm leaf	Mexico, Philippines.
Straw	Brazil, Dominican Republic, Italy, Japan, Philippines.
(Unfinished hats of the following types are not included: Lindu, Lintao, Macorra, Panama, Pandan, Raffia, Toquilla, and Yeddo.)	
Jade, stones, cut but not set and suitable for use in jewelry	None.
Medicines, prepared, Chinese type	None.
Menthol, natural and synthetic (other than racemic)	Brazil.
Musk	None.
Silk piece goods, tussah and muga	None.
Silk, tussah and muga	None.
Sophora Japonica, including Rutin	None.
Tea, Chinese type	Formosa.
Tung oil	Argentina, Brazil, Paraguay.
Walnuts	France, Iran, Italy, Turkey.
Yak hair	None.

(3) Merchandise specified in this subparagraph, howsoever processed, if such merchandise is or has been located in or transported from or through Hong Kong, Macao, or any country not in the authorized trade territory.

Type of Merchandise

Agar-agar.
Bamboo:
Bags, baskets and other manufactures, excluding furniture.
Poles and sticks.
Brocades and brocade articles.
Camphor, natural and synthetic.
Camphor oil, natural and synthetic.
Cane webbing.
Carpet wool.
Carpets.
Castor bean.
Castor oil.
Chinaware, other than Dresdenware and Meissenware.
Citronella oil.
Cotton manufactures.
Cotton waste.
Earthenware.
Embroideries and embroidered articles.
Hair, animal.
Hair nets, regardless of the material from which made.
Handkerchiefs.
Hardwood manufactures, including furniture other than bentwood furniture.
Hats, paper.
Hides, buffalo, including India water buffalo.
Ivory manufactures.
Lace and lace articles.
Linen manufactures, excluding wearing apparel other than wearing apparel made in whole or in part of brocade, embroidery or lace.
Ores and metals:
Antimony.
Bismuth.
Quicksilver.
Molybdenum.
Tin.
Tungsten.
Peanuts and peanut products.
Rumie.
Rugs.
Seagrass and straw manufactures, excluding floor covering.
Sesame, oil and seed.
Shoes, leather-soled with non-leather uppers, except ladies' high-heel shoes.
Silk:
Raw and manufactures other than Western style suits and Indian saris.
Waste.
Skins, deer and goat.
Stones, semiprecious and manufactures thereof, including jewelry.
Tapestries, including needlework tapestries.
Tapioca, including tapioca flour.

(4) Merchandise specified in this subparagraph, howsoever processed, if such merchandise is or has been located in or transported from or through Hong Kong or Macao.

Type of Merchandise

Edible marine products.
Feather manufactures.
Glass, sheet (window).
Graphite.
Honey.
Poultry, including pigeons, frozen or otherwise prepared or preserved.

(Sec. 5, 40 Stat. 415, as amended; 50 U. S. C. App. 5, E. O. 9193, July 6, 1942, 7 F. R. 5205; 3 CFR, 1943 Cum. Supp. E. O. 9989, Aug. 20, 1948, 13 F. R. 4891; 3 CFR, 1948 Supp.)

[SEAL]

T. G. UPTON,

Acting Secretary of the Treasury.

[F. R. Doc. 58-10579; Filed, Dec. 31, 1958; 8:45 a. m.]

Title 32—NATIONAL DEFENSE

Chapter V—Department of the Army

SUBCHAPTER A—AID OF CIVIL AUTHORITIES AND PUBLIC RELATIONS

PART 513—ASSISTANCE OF CREDITOR BY DEPARTMENT OF THE ARMY

Private Indebtedness of Army Personnel

Section 513.1 is revised to read as follows:

§ 513.1 Private indebtedness and financial obligations.

(a) The Department of the Army does not condone an attitude of irresponsibility or evasiveness by its personnel toward their private indebtedness or financial obligations. Members of the Army are expected to discharge their private indebtedness and financial obligations in an honorable manner. The Department of the Army is without legal authority directly to require a member to pay a private debt, or to divert any part of his pay in satisfaction thereof, even though the indebtedness may have been reduced to a judgment of a civil court. The enforcement of the private obligations of persons in the military service is a matter for civil authorities. Army commanders will give careful consideration to the public relations aspect involved in private indebtedness and financial obligations, as well as to indoctrinating members of their commands in the individual's responsibility with respect to private obligations.

(b) Commanding officers will not tolerate actions of irresponsibility, gross carelessness, neglect, dishonesty, or evasiveness in the private indebtedness and financial obligations of their personnel. Normally, it is not difficult to distinguish between an honest denial of an obligation and a dishonest or irresponsible evasion thereof. A claim based upon a judgment, order, or decree of a court which appears valid on its face, should ordinarily be accepted by the commanding officer as prima facie evidence of the financial obligation established thereby. Such a judgment, however, may be rebutted by other evidence, such as a conflicting decree of another civil court. If, after consideration of all factors, a commanding officer believes that a member of his command has dishonorably failed to pay his just debts, disciplinary action may be initiated (Articles 133 and 134, Uniform Code of Military Justice (64 Stat. 142), and paragraph 213b, Manual for Courts-Martial 1951, (E. O. 10214, February 8, 1951, 3 CFR, 1951 Supp.)).

(c) Complaints of civil indebtedness or financial obligations received at any echelon of the Department of the Army superior to the immediate command of the member concerned will be forwarded through proper channels to the immediate commanding officer of such member for action as outlined in paragraph (d) of this section. Each communication will be acknowledged by the command receiving the complaint and the

writer informed of the referral of his letter.

(d) Upon receipt of a communication from any echelon of the Department of the Army superior to the immediate command of the member concerned, or directly from the complainant, concerning a member's failure to satisfy his private indebtedness or financial obligations, the appropriate procedure set forth below will be followed:

(1) If upon receipt of the communication it appears that the complainant has not made reasonable efforts to collect directly from a member, inform the complainant that action by the military authorities will be deferred until such time as it appears that the complainant has made such efforts.

(2) If upon receipt of the communication there appears to be evidence showing a reasonable effort to collect directly from the member, the organizational commander will discuss the matter with the member concerned. If the obligation is admitted by the member, the commanding officer will insure that reply is made promptly to the complainant indicating the member's intentions regarding payment. If the obligation or the amount is disputed or denied by the member, the commanding officer, in his discretion, may require either or both parties to submit any necessary documents or other pertinent evidence. When the commanding officer believes that the matter justifiably is controversial, he will make reply directly to the complainant advising that it is the established policy of the Department of the Army that a disputed debt is a matter to be settled by the civil courts. When complaints of a member's repeated failure to satisfy private indebtedness or financial obligations are received, the commanding officer will take appropriate followup action with a view to assisting the member in complying with previous arrangements. The complainant will be requested to address any further correspondence deemed necessary direct to the member concerned or to his commanding officer.

(3) Complaints received after a service member has been reassigned will be forwarded to his current organization if the latest assignment is available. Complaints received after a service member has departed on orders for overseas duty or on orders to return to Continental United States, and whose current organization is not known, will be forwarded to the commanding officer of the appropriate overseas replacement station or returnee-reassignment station. All complaints in the above categories will be acknowledged and the complainant will be advised:

(i) Of the service member's leave address when applicable.

(ii) That service member will be in transient status for 30 to 90 days (or the approximate number of days normally required in each individual case) prior to reaching his new duty station.

(iii) That further correspondence concerning the indebtedness should be addressed to the commanding officer of the unit of the service member, if known; if the unit of the service member is not known, the complainant will be advised

of the due date and the address to which correspondence should be sent.

(e) The provisions of paragraphs (a) to (d) of this section do not apply in the case of retired personnel not on active duty. Complaints of civil indebtedness or financial obligations should be replied to by a statement that any action in connection with civil indebtedness or financial obligations of retired personnel not on active duty, is outside the responsibility of the Army and that the command regrets that it cannot be of assistance in the matter.

[AR 600-10, December 19, 1958] (Sec. 3012, 70A Stat. 157; 10 U. S. C. 3012)

[SEAL]

BRUCE EASLEY,
Major General, U. S. Army,
Acting The Adjutant General.

[F. R. Doc. 58-10769; Filed, Dec. 31, 1958;
8:45 a. m.]

Title 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans Administration

PART 3—VETERANS CLAIMS

Adjustment of Disability Compensation Rates

A new § 3.1529 is added as follows:

§ 3.1529 Title 38, United States Code, section 315, adjustment of disability compensation rates.

(a) Title 38 U. S. C. 315 (a) (2) provides that the amounts payable because of dependents shall be adjusted upward or downward to the nearest dollar, counting 50 cents and over as a whole dollar.

(b) Section 10, Public Law 85-857, states in part "Any individual receiving benefits as a veteran, or as the widow, child, or parent of a veteran, under public laws administered by the Veterans' Administration on December 31, 1958, shall, as long as entitlement under such laws continues, receive benefits under the corresponding provisions of Title 38, United States Code, thereafter, or benefits at the rate payable under such public laws, whichever will result in the greater benefit being paid to the individual * * *."

(c) By virtue of 38 U. S. C. 315, effective January 1, 1959, the additional amount payable for dependency will be rounded to the nearest dollar with each group of dependents rounded separately (two parents are to be treated as two groups). This result will then be added to the basic rate of compensation to arrive at the total amount of compensation payable.

(d) Section 10, Public Law 85-857, provides protection for those veterans in receipt of a greater amount of award on the day prior to the effective date of Title 38, United States Code, and these awards will not be reduced solely because of the enactment of this code. This protection is accorded to the amount of award payable to the veteran on the effective date of Title 38, United States Code, and does not preclude the reduc-

tion of an award by a downward adjustment subsequent to January 1, 1959, where there is a change in the veteran's status resulting from amended rating action or a change in dependency status; including instances where the award was written prior to January 1, 1959, but involving change in status after that date.

(e) If in the course of any subsequent review of the case for any reason, it is determined that the automatic adjustment to a higher rate was erroneously made, an amended award will be made to show the correct rate payable, as of the date of last payment.

(f) Section 2, Public Law 85-857 provides "Except as otherwise provided in this act, this act shall take effect on January 1, 1959". The effective date of awards will be in accordance with the provisions of controlling Veterans Administration regulations: *Provided*, That in no event will benefits under the cited act be awarded for any period prior to January 1, 1959. In new claims filed on or after January 1, 1959, the new rate will be effective the date of award. (Instruction 1, Title 38, U. S. C., section 315, Public Law 85-857.)

(72 Stat. 1114; 38 U. S. C. 210)

This regulation is effective January 1, 1959.

[SEAL]

BRADFORD MORSE,
Deputy Administrator.

[F. R. Doc. 58-10793; Filed, Dec. 31, 1958;
8:48 a. m.]

PART 6—UNITED STATES GOVERNMENT LIFE INSURANCE

PART 8—NATIONAL SERVICE LIFE INSURANCE

Miscellaneous Amendments

1. In Part 6, paragraph (c) of § 6.62 is amended to read as follows:

§ 6.62 Assignment, claims of creditors and taxation. * * *

(c) The exemption shall apply against the United States or any agency thereof: *Provided*, That except as to dividends being held to the credit of the insured for the payment of premiums under the provisions of section 746 of Title 38, United States Code, the United States shall be entitled to collect by setoff or otherwise out of benefits, payable to any beneficiary under a United States Government life insurance policy, the amount of any indebtedness due the United States by such beneficiary because of overpayments or illegal payments made to such beneficiary under laws administered by the Veterans Administration: *Provided further*, That in the settlement of any claim under a United States Government life insurance policy, the United States shall be entitled to deduct the amount of unpaid premiums or loans, or interest on such premiums or loans; or indebtedness arising from overpayments of dividends, refunds, loans, or other insurance benefits; or any other indebtedness existing under the particular insurance contract.

2. In § 6.95, the former unnumbered text is amended and designated paragraph (a) and new paragraphs (b) through (g) are added to read as follows:

§ 6.95 How paid.

(a) A United States Government life insurance policy, except as hereinafter provided in this section, shall participate in and receive such dividends from gains and savings as may be determined by the Administrator of Veterans Affairs: *Provided*, That United States Government life insurance on which premiums are waived in whole or in part under the provisions of section 622 of the National Service Life Insurance Act, as amended, or section 724 of Title 38, United States Code, shall not be entitled to dividends for the period during which such premium waiver is in effect. Regular annual dividends becoming payable on or after December 31, 1958, shall be payable on the date preceding the anniversary of the policy unless the Administrator shall declare them payable on some other date.

(b) Unless and until the Veterans Administration receives a written request from the insured that United States Government life insurance regular annual dividends be paid in cash, or that they be placed on deposit or be used to pay premiums in advance, or that they be used to pay the premiums on a particular policy or policies, any such dividends shall be held to the credit of the insured to be applied to pay monthly premiums becoming due and unpaid after the date such dividends are payable on any United States Government life insurance policy or policies held by the insured: *Provided*, That such dividend credits will be applied as of the due date of any unpaid premium. Dividend credits will earn interest at such rate and in such manner as the Administrator may determine.

(c) In the event premiums on more than one policy having the same premium due date are unpaid and the dividend credit of the insured for application to payment of premiums is not sufficient to keep all policies in force, in the absence of instructions to the contrary by the insured, such dividend credit will be applied to pay premiums in such manner as will provide the maximum amount of insurance protection.

(d) At the expiration of any term period, dividend credit of the insured held for payment of premiums will be applied to pay the required premium for renewal of term insurance unless the insured requests otherwise in writing prior to the expiration of the term period.

(e) A request for payment of dividends in cash or for other disposition will be effective as of the date the request is delivered to the Veterans Administration: If forwarded by mail, properly addressed, the postmark date will be taken as the date of delivery; if forwarded through military channels by the insured while in military service, the date the request is placed in military channels will be accepted as the date of delivery. Unless otherwise stipulated by the insured, such request will remain in force until revoked in writing signed by the insured and delivered to the Veterans Administration.

(f) Dividend credit of the insured held for payment of premiums as provided in section 746 of Title 38, United States Code, may not be used to satisfy any indebtedness due the United States without the insured's consent. If the insured requests payment of such dividend credit, or any unused portion thereof, in cash, or requests that such credit be left to accumulate on deposit, as provided in paragraph (g) of this section, then any indebtedness due the United States, such as described in § 6.62 will be recovered therefrom.

(g) At the written request of the insured, United States Government life insurance regular annual dividends may be left to accumulate on deposit at interest which will be credited annually at such rate as the Administrator may determine, but a rate never less than 3½ percent: *Provided*, That the policy is in force on a basis other than extended term insurance or 5-year level premium term insurance. Dividend credit of the insured held for payment of premiums or dividends left to accumulate on deposit may be applied to the payment of premiums in advance upon written request of the insured made before default in payment of a premium. Dividends on deposit under the provisions of this paragraph will be used in addition to the reserve on the policy for the purpose of computing the period of extended term insurance or the amount of paid-up insurance as provided in §§ 6.105 and 6.110, respectively. Any dividend credit of a person who no longer has insurance in force by payment or waiver of premiums will be paid in cash to such person. Upon maturity of the policy, any dividend on deposit, any unpaid dividend payable in cash, and any dividend credit accruing from such policy which cannot be used to pay premiums as provided in section 746 of Title 38, United States Code, will be paid to the person currently entitled to receive payments under the policy. If the policy is not in force at death, any such unpaid dividends and dividend credits will be paid to the insured's estate.

3. In § 6.105, paragraph (a) is amended to read as follows:

§ 6.105 Provision for extended term insurance.

(a) After the expiration of the first policy year and upon default in the payment of a premium within the grace period, if a United States Government life insurance policy on any plan other than 5-year level premium term has not been surrendered for cash or for paid-up insurance, the policy shall be extended automatically as term insurance for an amount of insurance equal to the face value of the policy less any indebtedness for such time from the due date of the premium in default as the cash value less any indebtedness will purchase when applied as a net single premium at the attained age of the insured. For this purpose the attained age is the age on the birthday anniversary nearest to the effective date of the policy plus the number of years and months from that date to the date the extended term insurance becomes effective. The extended

term insurance shall be with right to dividends and with right to total permanent disability benefits. The number of monthly installments payable upon due proof of total permanent disability or death of the insured under such extended term insurance will be the same as would then be payable under the policy. The extended term insurance shall not have a loan value, but shall have a cash value.

4. Section 6.177 is revoked:

§ 6.177 Dividends; 5-year level premium term policy.

[Revoked.]

(72 Stat. 1114; 38 U. S. C. 210)

5. In Part 8, paragraphs (e) (1), (ii), and (iii) and (f) of § 8.0 are amended to read as follows:

§ 8.0 Eligibility. * * *

(e) *Applications for insurance under section 620 of the National Service Life Insurance Act, as amended, and section 722 (a) of Title 38, United States Code.*

(1) Any person who is released from active military, naval, or air service (as that term is defined in section 101 of Title 38, United States Code), under other than dishonorable conditions, on or after April 25, 1951, shall be granted National Service life insurance as provided in § 8.111 upon compliance with the following conditions:

(ii) Proof, satisfactory to the Administrator, that the applicant is suffering from a service-connected disability (or disabilities) for which compensation is or would be payable, if 10 per centum or more in degree and except for which such person would be insurable according to the standards of good health established by the Administrator (§ 8.1).

(iii) Written application for such insurance must be submitted within 1 year from the date service connection of such disability is first determined by the Veterans Administration by a rating made subsequent to discharge: *Provided*, That if the applicant is shown by evidence satisfactory to the Administrator to have been mentally incompetent during any part of the 1-year period, application under this paragraph may be filed within 1 year after a guardian is appointed or within 1 year after the removal of such mental incompetency as determined by the Administrator, whichever is the earlier date. If a guardian was appointed or the removal of such disability occurred before January 1, 1959, application under this paragraph may be made within 1 year after that date.

(f) *Application for insurance issued under section 621 of the National Service Life Insurance Act, as amended.* Insurance heretofore issued under section 621 of the National Service Life Insurance Act is subject to the provisions of § 8.112 (a) and (c). No National Service life insurance shall be granted to any person under such section on or after January 1, 1957, unless prior to such date an acceptable application accompanied by proper and valid remittances or authorizations for payment of premiums

(1) was received by the Veterans Administration, (2) was placed in the mails properly directed to the Veterans Administration, or (3) was delivered to an authorized representative of any of the uniformed services.

6. In § 8.2, the headnote of paragraph (c), and paragraph (c) (1) and (2) (iii) are amended to read as follows:

§ 8.2 Effective date. * * *

(c) *Effective date of insurance applied for under section 620 of the National Service Life Insurance Act and section 722 (a) of Title 38, United States Code.*

(1) The effective date of National Service life insurance issued under the provisions of section 620 of the National Service Life Insurance Act, as amended or section 722 (a) of Title 38, United States Code, shall not be established in any event prior to April 25, 1951, nor prior to the date of entry into active service.

(iii) The introductory text and subdivisions (i) and (ii) of this subparagraph shall not apply to applications for insurance under said section 620 or section 722 (a) of Title 38, United States Code, which are made on or after January 1, 1957.

7. Section 8.3 is revised to read as follows:

§ 8.3 Premium rates.

National Service life insurance is granted at the premium rate for the age nearest birthday anniversary of the applicant at the time the policy becomes effective. The premium rates for National Service life insurance, except as hereinafter provided in this section, are based on the American Experience Table of Mortality with interest at the rate of 3 per centum per annum. The premium rates for insurance issued under sections 620 and 621 of the National Service Life Insurance Act, as amended, and section 722 (a) of Title 38, United States Code, are based on the Commissioners 1941 Standard Ordinary Table of Mortality with interest at the rate of 2¼ per centum per annum. The premium rates for permanent plan insurance or limited convertible term insurance issued pursuant to section 723 (b) of Title 38, United States Code, are based on table X-18 (1950-54 Intercompany Table of Mortality) with interest at the rate of 2½ per centum per annum.

8. Section 8.5 is revised to read as follows:

§ 8.5 Due date of premiums.

Premiums on National Service life insurance are due and payable monthly in advance in legal tender of the United States of America to the Veterans Administration in the city of Washington, District of Columbia, or any field station of the Veterans Administration authorized to accept premiums. Premiums may be paid annually, semiannually, or quarterly, in advance, in which case the premium payable will be the sum of the monthly premiums for the period discounted at 3 per centum per annum, except that premiums on insurance issued

under sections 620 and 621 of the National Service Life Insurance Act, as amended, and section 722 (a) of Title 38, United States Code, shall be discounted at 2½ per centum per annum and premiums on insurance issued under section 723 (b) of Title 38, United States Code, shall be discounted at 2½ per centum per annum. The discounted premiums for these periods are stated on the first page of the policy. At maturity the discounted value of the premiums paid in advance beyond the current month shall be refunded to the beneficiary. If any premium be not paid when due, the policy shall cease and become void except as otherwise provided.

9. In § 8.26, paragraph (a) is amended to read as follows:

§ 8.26 How paid.

(a) A National Service life insurance policy, except as hereinafter provided in this section, shall participate in and receive such dividends from gains and savings as may be determined by the Administrator of Veterans Affairs: *Provided*, That insurance issued under the provisions of sections 620 and 621 of the National Service Life Insurance Act, as amended, and sections 722 (a) and 723 (b) of Title 38, United States Code, shall not be entitled to dividends, and insurance on which premiums are waived, in whole or in part, under the provisions of section 622 of the National Service Life Insurance Act, as amended, and section 724 of Title 38, United States Code, shall not be entitled to dividends for the period during which such premium waiver is in effect: *Provided further*, That insurance on which the requirements of good health have been waived under the provisions of section 602 (c) (2) of the National Service Life Insurance Act, as amended, at the time of issue or reinstatement of such insurance shall not be entitled to dividends. Dividends becoming payable after January 1, 1952, shall be payable on the date preceding the anniversary of the policy unless the Administrator shall declare them payable on some other date.

10. In § 8.27, the headnote of paragraph (a) and paragraph (b) are amended, and a new paragraph (c) is added to read as follows:

§ 8.27 Cash value.

(a) *Cash value on National Service life insurance other than insurance issued under section 620 of the National Service Life Insurance Act, as amended, and sections 722 (a) and 723 (b) of Title 38, United States Code.* * * *

(b) *Cash value on insurance issued under the provisions of section 620 of the National Service Life Insurance Act, as amended, and section 722 (a) of Title 38, United States Code.* Provisions for cash value, paid-up insurance, and extended term insurance, except as provided in § 8.29 (b), shall become effective at the completion of the first policy year on any plan of National Service life insurance other than the 5-year level premium term plan; all values on such insurance, reserves, and net single premiums being based on the Commissioners 1941 Standard Ordinary Table of Mor-

tality, with interest at the rate of 2¼ per centum per annum. The cash value at the end of the first policy year and at the end of any policy year thereafter, for which premiums have been paid in full, shall be the reserve. For each month after the first policy year for which month a premium has been paid or waived, the reserve at the end of the preceding policy year shall be increased by one-twelfth of the increase in reserve for the current policy year. Upon written request therefor and upon complete surrender of the insurance with all claims thereunder, the United States will pay to the insured the cash value of the policy less any indebtedness, provided the policy has been in force by payment or waiver of premiums for at least 1 year. A surrender will be deemed completed on the date the check for the cash value is mailed to the insured's last known address of record: *Provided*, That the application has not been revoked, or the policy has not matured on or prior to said date: *Provided further*, That if the insurance is surrendered pursuant to section 5 of the Servicemen's Indemnity Act of 1951, the surrender shall be effective as of date written request therefor is delivered to the Veterans Administration. If forwarded by mail, properly addressed, the postmark date will be taken as the date of delivery. If forwarded through military channels, the date the request is placed in military channels will be taken as the date of delivery. The provisions of the "Net Cash Value" clause in National Service life insurance policies are hereby amended accordingly.

(c) *Cash value on insurance issued under the provisions of section 723 (b) of Title 38, United States Code.* Provisions for cash value, paid-up insurance, and extended term insurance, except as provided in § 8.29 (b), shall become effective at the completion of the first policy year on any plan of National Service life insurance other than the limited convertible five-year level premium term plan; all values on such insurance, reserves, and net single premiums being based on Table X-18 (1950-54 Intercompany Table of Mortality) with interest at the rate of 2½ per centum per annum. The cash value at the end of the first policy year and at the end of any policy year thereafter, for which premiums have been paid in full, shall be the reserve. For each month after the first policy year for which month a premium has been paid or waived, the reserve at the end of the preceding policy year shall be increased by one-twelfth of the increase in reserve for the current policy year. Upon written request therefor and upon complete surrender of the insurance with all claims thereunder, the United States will pay to the insured the cash value of the policy less any indebtedness, provided the policy has been in force by payment or waiver of premiums for at least 1 year. A surrender will be deemed completed on the date the check for the cash value is mailed to the insured's last known address of record: *Provided*, That the application has not been revoked, or the policy has not matured on or prior to said date.

11. In § 8.28, the headnote and paragraph (a) are amended to read as follows:

§ 8.28 Policy loan; other than 5-year level premium term and limited convertible 5-year level premium term policies.

(a) At any time after the expiration of the first policy year and before default in payment of any subsequent premium, and upon the execution of a loan agreement satisfactory to the Administrator, the United States will lend to the insured on the security of his National Service life insurance policy, on any plan other than 5-year level premium term, or limited convertible 5-year level premium term, any amount which will not exceed 94 percent of the reserve, and any indebtedness on the policy shall be deducted from the amount advanced on such loan. Except as prescribed in paragraph (b) of this section, the loan shall bear interest at the rate of 5 per centum per annum, payable annually; and, at any time before default in the payment of the premium, the loan may be repaid in full or in amounts of \$5 or more. Failure to pay either the amount of the loan or the interest thereon shall not avoid the policy unless the total indebtedness shall equal or exceed the cash value thereof. When the amount of the indebtedness equals or exceeds the cash value, the policy shall cease and become void.

12. Sections 8.29 and 8.30 are revised to read as follows:

§ 8.29 Provision for extended term insurance; other than 5-year level premium term or limited convertible 5-year level premium term policies.

(a) After the expiration of the first policy year and upon default in the payment of a premium within the grace period, if a National Service life insurance policy on any plan other than 5-year level premium term or limited convertible 5-year level premium term has not been surrendered for cash or for paid-up insurance, the policy shall be extended automatically as term insurance for an amount of insurance equal to the face value of the policy less any indebtedness for such time from the due date of the premium in default as the cash value less any indebtedness will purchase when applied as a net single premium at the attained age of the insured. For this purpose the attained age is the age on the birthday anniversary nearest to the effective date of the policy plus the number of years and months from that date to the date the extended term insurance becomes effective. The extended term insurance shall not have a loan value, but shall have a cash value.

(b) Upon default in payment of a premium within the grace period and after the effective date of this paragraph on any plan of National Service life insurance other than 5-year level premium term or limited convertible 5-year level premium term if the policy has been in force by payment or waiver of the premiums for not less than 3 months nor more than 11 months, the policy shall be extended automatically as term

insurance for an amount of insurance equal to the face value of the policy less any indebtedness for such time from the due date of the premium in default as the reserve of the policy less any indebtedness will purchase when applied as a net single premium at the attained age of the insured. For this purpose the attained age is the age on the birthday anniversary nearest to the effective date of the policy plus the number of months from that date to the date extended term insurance becomes effective. Extended term insurance under this provision shall not have a cash or loan value. This paragraph shall be effective from and after August 2, 1948.

§ 8.30 Provision for paid-up insurance: other than 5-year level premium term or limited convertible 5-year level premium term policies.

If a National Service life insurance policy on any plan other than 5-year level premium term or limited convertible 5-year level premium term has not been surrendered for cash, upon written request of the insured and complete surrender of the insurance with all claims thereunder, after the expiration of the first policy year and while the policy is in force under premium-paying conditions, the United States will issue paid-up insurance for such amount as the cash value less any indebtedness will purchase when applied as a net single premium at the attained age of the insured. For this purpose the attained age is the age on the birthday anniversary nearest to the effective date of the policy plus the number of years and months from that date to the date the paid-up insurance becomes effective. Such paid-up insurance will be effective as of the expiration of the period for which premiums have been paid and earned; and, any premiums paid in advance for months subsequent to that in which the application for paid-up insurance is made shall be refunded to the insured. The paid-up insurance shall be with right to dividends, except insurance issued or reinstated under the provisions of section 602 (c) (2) of the National Service Life Insurance Act of 1940, as amended, where the requirements of good health have been waived, and insurance issued under the provisions of section 620 of the National Service Life Insurance Act, as amended, and sections 722 (a) and 723 (b) of Title 38, United States Code. The insured may at any time surrender the paid-up policy for its cash value or obtain a loan on such paid-up insurance.

13. Section 8.32, 8.33, and 8.34 are revised to read as follows:

§ 8.32 Plans of National Service life insurance.

Subject to the conditions stated in §§ 8.33 and 8.34, National Service life insurance on the 5-year level premium term plan or limited convertible 5-year level premium term plan, may be converted to the following permanent plans of insurance: Ordinary life, 20-payment life, 30-payment life, 20-year endowment, endowment at age 60, and endowment at age 65. Subject to the conditions stated in § 8.34a National Service

life insurance on the 5-year level premium term plan issued under section 621 of the National Service Life Insurance Act, as amended, may be exchanged for limited convertible 5-year level premium term insurance.

§ 8.33 Conversion of a 5-year level premium term policy or limited convertible term policy as of a current effective date.

National Service life insurance on the level premium term plan which is in force may be exchanged, effective as of the date any premium becomes due within the term period, for insurance of the same amount, on any of the permanent plans specified in § 8.32. The permanent plan insurance will be issued on the same reserve basis as the term insurance for which it was exchanged except that term insurance issued under section 621 of the National Service Life Insurance Act, as amended, shall be exchanged for permanent plan insurance issued pursuant to § 8.112 (b) and (c). The insured will be required to file written application and pay (except where premium waiver under section 602 (n) of the National Service Life Insurance Act, as amended, or section 712 of Title 38, United States Code, is effective) the current monthly premium at the attained age of the insured for the plan of insurance selected: *Provided*, That where premium waiver is effective under section 622 of the National Service Life Insurance Act, as amended, or section 724 of Title 38, United States Code, that portion of the current monthly premium at the attained age of the insured for the plan of insurance selected which is not required for the pure insurance risk must be paid. The reserve (if any) on the policy will be allowed as a credit on the current monthly premium except where premium waiver is effective. Conversion to an endowment plan may not be made while the insured is totally disabled. The exchange will be made without medical examination, except when deemed necessary to determine whether an applicant for conversion to an endowment plan is totally disabled, and upon complete surrender of the term insurance while in force by payment or waiver of premiums.

§ 8.34 Conversion of a 5-year level premium term policy or limited convertible term policy as of a date prior to the current month.

National Service life insurance on the level premium term plan which is in force may be exchanged, effective as of the date any premium has become due within the term period, for insurance of the same amount, on any of the permanent plans specified in § 8.32. The permanent plan insurance will be issued on the same reserve basis as the term insurance for which it was exchanged except that term insurance issued under section 621 of the National Service Life Insurance Act, as amended, shall be exchanged for permanent plan insurance issued pursuant to § 8.112 (b) and (c). The insured will be required to file written application, pay the difference between the reserve on the new policy and the reserve on the old policy and

pay (except where premium waiver under section 602 (n) of the National Service Life Insurance Act, as amended, or section 712 of Title 38, United States Code, is effective) the current monthly premium at the attained age of the insured as of the effective date of the new policy: *Provided*, That where premium waiver is effective under section 622 of the National Service Life Insurance Act, as amended, or section 724 of Title 38, United States Code, the required reserve on the new policy must be paid together with that portion of the current monthly premium at the attained age of the insured as of the effective date of the new policy which is not required for pure insurance risk. Conversion to an endowment plan may not be made while the insured is totally disabled. The exchange will be made without medical examination, except when deemed necessary to determine whether an applicant for conversion to an endowment plan is totally disabled, and upon complete surrender of the term insurance while in force by payment or waiver of premiums: *Provided*, That waiver of the premiums on the new policy shall not be effective prior to the date such policy change was made.

14. A new § 8.34a is added to read as follows:

§ 8.34a Exchange of 5-year level premium term insurance issued under section 621 of the National Service Life Insurance Act, as amended, for limited convertible 5-year level premium term insurance as of a current effective date.

Effective January 1, 1959, 5-year level premium term insurance issued under section 621 of the National Service Life Insurance Act, as amended, which is in force may be exchanged for limited convertible 5-year level premium term insurance issued pursuant to § 8.112 (b) and (c): *Provided*, That after September 1, 1960, such exchange may not be made after the insured's fiftieth birthday. The exchange may be for insurance of the same amount and will be effective as of the last monthly premium due date prior to the date an acceptable application for exchange is mailed or otherwise delivered to the Veterans Administration except where such application is mailed or otherwise delivered on the premium due date, then in such case that date will be the effective date: *Provided*, That in no event shall the exchange be effective prior to the premium due date in January 1959. The insured will be required to file written application and pay the current monthly premium at his attained age for the limited convertible term insurance except where premium waiver under sections 602 (n) or 622 of the National Service Life Insurance Act, as amended, or sections 712 or 724 of Title 38, United States Code, is effective. The reserve (if any) on the policy will be allowed as a credit for the payment of premiums, except where premium waiver is effective, and such reserve shall not be subject to withdrawal by the insured. The exchange will be made without medical examination and upon complete surrender, while in force by payment or

waiver of premiums, of the insurance being exchanged.

15. Sections 8.35, 8.36, and 8.40 are revised to read as follows:

§ 8.35 Exchange to a policy bearing the same effective date and having a higher reserve value.

If the insured be not totally disabled, National Service life insurance on any plan other than 5-year level premium term or limited convertible 5-year level premium term may be changed to insurance of the same amount, as of the same date, and based on the same age, on any plan of National Service life insurance on the same reserve basis, having a higher reserve value, upon payment by the insured of the difference between the reserve on the new policy and the reserve on the old policy. Such exchange will be made without medical examination, except when deemed necessary to determine whether the insured be totally disabled, and upon complete surrender while in force by payment of premiums, of the insurance being exchanged.

§ 8.36 Exchange to a policy bearing the same effective date and having a lower reserve value.

National Service life insurance may be exchanged for insurance of the same amount, bearing the same date, and based on the same age, on any plan of National Service life insurance on the same reserve basis, having a lower reserve value except to the 5-year level premium term or limited convertible 5-year level premium term plan: *Provided*, The applicant is in good health at the time of application and furnishes evidence thereof satisfactory to the Administrator upon such forms as the Administrator shall prescribe, or otherwise as he shall require. The old insurance must be in force under premium paying conditions and must be surrendered with all rights and claims thereunder. The difference between the reserve on the old policy and the reserve on the new policy, less any indebtedness, may be used to cover payment of future premiums or withdrawn in cash at the option of the insured. If the old policy has been in force for less than 12 months, the difference in reserve may be used only for the purpose of paying future premiums on the insurance, and such premiums shall not be subject to withdrawal by the insured prior to the expiration of the first policy year.

§ 8.40 Requirements for waiver of premiums under section 602 (n) of the National Service Life Insurance Act, as amended, and section 712 of Title 38, United States Code.

Upon written application by the insured, payment of premiums may be waived during the continuous total disability of the insured which continues or has continued for six or more consecutive months, provided such disability commenced (a) subsequent to date of application for insurance, (b) while the insurance was in force under premium-paying conditions, and (c) prior to the insured's 60th birthday: *Provided*, This section shall not apply to any premium waiver authorized under subsection 602

(d) (3) of the National Service Life Insurance Act, as amended: *Provided further*, That waiver of premiums under this section shall not be denied on permanent plans of insurance issued or reinstated pursuant to section 5 of the Servicemen's Indemnity Act of 1951, section 623 of the National Service Life Insurance Act, or section 781 of Title 38, United States Code, because the total disability of the insured commenced prior to the date of his application for insurance or for reinstatement thereof; nor shall waiver of premiums under this section be denied on insurance issued under section 620 of the National Service Life Insurance Act, as amended, or section 722 (a) of Title 38, United States Code, because the service-connected disability of the insured became total in degree prior to the effective date of such insurance. The insured shall be required to furnish proof satisfactory to the Administrator showing continuous total disability for at least 6 consecutive months and may be denied benefits for failure to cooperate: *Provided further*, That in the event of death of the insured without filing application for waiver, such application may be filed by the beneficiary with evidence of the insured's right to waiver under the conditions of this section on or before August 1, 1947, or within 1 year after death of the insured, whichever is the later; or, if the beneficiary be insane or a minor, such beneficiary may file application for waiver with evidence of the insured's right to waiver under the conditions of this section within 1 year after removal of such legal disability: *Provided further*, That where an insured meets the requirements of this section, waiver of premiums hereunder on his National Service life insurance shall not be denied for the reason that premiums on such insurance are or have been waived under section 622 of the National Service Life Insurance Act, as amended, or section 724 of Title 38, United States Code.

16. In § 8.41, paragraphs (a) and (b) are amended to read as follows:

§ 8.41 Effective date of premium waiver.

(a) Upon written application of the insured waiver of premiums may be granted effective as of the date 6 months' continuous total disability commenced, but, except as hereafter provided in this paragraph, waiver in such cases shall not be effective as to any premium which became due more than 1 year prior to receipt of such application in the Veterans Administration: *Provided*, That the Administrator may grant waiver of premiums in excess of such 1-year period in any case in which he finds that the insured's failure to submit timely application or satisfactory evidence to show the existence or continuance of total disability was due to circumstances beyond the insured's control: *Provided further*, That upon written application of the insured made on or before August 1, 1947, the Administrator shall grant waiver of any premium which became due not more than 5 years prior to August 1, 1946, if otherwise authorized under the provisions of section 602 (n) of the National Service Life Insurance Act,

as amended: *Provided further*, That on permanent plans of National Service life insurance issued pursuant to section 5 of the Servicemen's Indemnity Act of 1951, section 623 of the National Service Life Insurance Act, or section 781 of Title 38, United States Code, and on insurance issued under section 620 of the National Service Life Insurance Act, as amended, or section 722 (a) of Title 38, United States Code, waiver of premiums shall not be effective prior to the premium due date in the month in which application for insurance is made or the effective date of such insurance, whichever is the later date: *Provided further*, That on permanent plans of National Service life insurance reinstated pursuant to said section 5, section 623, or section 781 waiver of premiums shall not be effective prior to the effective date of reinstatement of such insurance.

(b) Upon written application of the beneficiary as provided in § 8.40, waiver of premiums may be granted effective as of the date 6 months' continuous total disability commenced, but, except as hereafter provided in this paragraph, waiver in such cases shall not be effective as to any premium which became due more than 1 year prior to the date of insured's death: *Provided*, That the Administrator may grant waiver of premiums in excess of such 1-year period in any case in which he finds that the insured's failure to submit timely application or satisfactory evidence to show the existence or continuance of total disability was due to circumstances beyond the insured's control: *Provided further*, That upon written application of the beneficiary made on or before August 1, 1947, or within 1 year of the date of the insured's death where death occurred on or before August 1, 1947, the Administrator shall grant waiver of any premium which became due not more than 5 years prior to August 1, 1946, if otherwise authorized under the provisions of section 602 (n) of the National Service Life Insurance Act, as amended: *Provided further*, That on permanent plans of National Service life insurance issued pursuant to section 5 of the Servicemen's Indemnity Act of 1951, section 623 of the National Service Life Insurance Act, or section 781 of Title 38, United States Code, and on insurance issued under section 620 of the National Service Life Insurance Act, as amended, or section 722 (a) of Title 38, United States Code, waiver of premiums shall not be effective prior to the premium due date in the month in which application for insurance is made or the effective date of such insurance, whichever is the later date: *Provided further*, That on permanent plans of National Service life insurance reinstated pursuant to said section 5, section 623, or section 781 waiver of premiums shall not be effective prior to the effective date of reinstatement of such insurance.

17. Section 8.76 is revised to read as follows:

§ 8.76 Selection and revocation of option.

The insured under a National Service life insurance policy may, during his life-

time, make his selection of the optional settlement set forth in § 8.79, § 8.80 or § 8.80c, whichever is applicable, but such selection shall not be valid unless and until notice thereof is received in the Veterans Administration. The insured may select a different optional settlement for the contingent beneficiary from that selected for the principal beneficiary, but, if the principal beneficiary entitled to settlement in one sum survives the insured or if the principal beneficiary not entitled to settlement in one sum survives the insured and received any payment, the option selected for the contingent beneficiary shall have no force or effect, except as provided below in this section: That where the insured has selected a lump-sum settlement for the contingent beneficiary, and the principal beneficiary, not entitled to settlement in one sum, dies after payment has commenced but before all installments certain have been paid, the present value of the remaining unpaid installments certain shall be paid to the contingent beneficiary in one sum, unless such contingent beneficiary elects to continue to receive the remaining unpaid installments certain as they become due and payable. The insured may, during his lifetime, revoke his selection of the optional settlement, but the revocation shall not be valid unless and until notice thereof is received in the Veterans Administration.

18. In § 8.77, paragraph (a) (4) and (5) is amended to read as follows:

§ 8.77 Election of optional settlement by beneficiary.

(a) *Insurance maturing on or after August 1, 1946.* * * *

(4) Settlement under option 4 is not available to any beneficiary who is 69 or more years of age at the time of the death of the insured: *Provided*, That on insurance issued under section 620 or 621 of the National Service Life Insurance Act, as amended, or section 722 (a) of Title 38, United States Code, option 4 is not available if a male beneficiary is 78 or more years of age or if a female beneficiary is 80 or more years of age at the time of death of the insured: *Provided further*, That on insurance issued under section 723 (b) of Title 38, United States Code, option 4 is not available if a male beneficiary is 77 or more years of age or if a female beneficiary is 79 or more years of age at the time of death of the insured.

(5) If the option selected by the insured or the designated beneficiary requires payment to any one beneficiary of monthly installments of less than \$10, the amount payable to such beneficiary shall be paid under option 2 in such maximum number of monthly installments as are a multiple of 12 and will provide a monthly installment of not less than \$10. (See §§ 8.80a, 8.80b, and 8.80d.)

19. In § 8.80, the headnote and the introductory paragraph preceding option 1 are amended to read as follows:

§ 8.80 Optional settlements on insurance issued under the provisions of section 620 or 621 of the National Service Life Insurance Act, as amended, and section 722 (a) of Title 38, United States Code.

The optional settlements under a National Service life insurance policy issued under the provisions of section 620 or 621 of the National Service Life Insurance Act, as amended, and section 722 (a) of Title 38, United States Code, are as follows:

20. The headnote of § 8.80b is amended to read as follows:

§ 8.80b Payment to a beneficiary where the monthly installment of insurance, issued under the provisions of section 620 or 621 of the National Service Life Insurance Act, as amended, or section 722 (a) of Title 38, United States Code, is less than \$10 under the option selected.

21. New §§ 8.80c and 8.80d are added to read as follows:

§ 8.80c Optional settlements on insurance issued under the provisions of section 723 (b) of Title 38, United States Code.

The optional settlements under a National Service life insurance policy issued under the provisions of section 723 (b) of Title 38, United States Code, are as follows:

Option 1; insurance payable in one sum. Settlement under this option will be made only when selected by the insured. When such election has been made, the face amount (less any indebtedness) will be payable in one sum upon the death of the insured.

Option 2; insurance payable in elected installments. The installments noted below will be payable for an agreed number of months (not less than 36) to the designated beneficiary, but, if the designated beneficiary dies before the agreed number of monthly installments have been paid, the remaining unpaid monthly installments will be payable as provided in § 8.89, 8.90, or 8.91, whichever may be applicable.

OPTION 2

Number of monthly installments	Amount of each monthly installment	Number of monthly installments	Amount of each monthly installment
36	\$28.79	144	\$8.02
48	21.86	156	7.49
60	17.70	168	7.03
72	14.93	180	6.64
84	12.95	192	6.30
96	11.47	204	6.00
108	10.32	216	5.73
120	9.39	228	5.49
132	8.64	240	5.27

Option 3; insurance payable in installments throughout life. The monthly installments noted below will be payable throughout the lifetime of the designated beneficiary, but, if such beneficiary dies before 120 of such installments have been paid, the remaining unpaid monthly installments will be payable as provided in § 8.89, § 8.90, or § 8.91, whichever may be applicable.

OPTION 3

Age of beneficiary at date of death of insured	Amount of each monthly installment per \$1,000 of insurance payable to original beneficiary	
	Male	Female
10 and under	\$2.64	\$2.54
11	2.66	2.56
12	2.67	2.57
13	2.69	2.59
14	2.71	2.61
15	2.73	2.62
16	2.75	2.64
17	2.78	2.66
18	2.80	2.68
19	2.82	2.70
20	2.85	2.72
21	2.87	2.74
22	2.90	2.76
23	2.93	2.78
24	2.96	2.80
25	2.99	2.83
26	3.02	2.85
27	3.05	2.88
28	3.09	2.91
29	3.12	2.94
30	3.16	2.97
31	3.20	3.00
32	3.24	3.03
33	3.28	3.06
34	3.33	3.10
35	3.38	3.14
36	3.43	3.17
37	3.48	3.21
38	3.53	3.26
39	3.59	3.30
40	3.65	3.35
41	3.71	3.39
42	3.78	3.44
43	3.85	3.50
44	3.92	3.55
45	3.99	3.61
46	4.07	3.67
47	4.15	3.74
48	4.23	3.80
49	4.32	3.87
50	4.41	3.95
51	4.51	4.03
52	4.61	4.11
53	4.71	4.19
54	4.81	4.29
55	4.93	4.38
56	5.04	4.48
57	5.15	4.59
58	5.29	4.70
59	5.42	4.82
60	5.56	4.95
61	5.70	5.08
62	5.85	5.22
63	6.00	5.36
64	6.16	5.52
65	6.32	5.68
66	6.49	5.84
67	6.66	6.02
68	6.84	6.20
69	7.02	6.38
70	7.20	6.58
71	7.38	6.77
72	7.56	6.97
73	7.74	7.18
74	7.91	7.38
75	8.08	7.58
76	8.25	7.78
77	8.40	7.98
78	8.55	8.17
79	8.68	8.34
80	8.80	8.51
81	8.91	8.66
82	9.01	8.80
83	9.09	8.92
84	9.16	9.03
85	9.22	9.12
86	9.26	9.19
87	9.30	9.25
88	9.33	9.29
89	9.35	9.33
90	9.37	9.35
91	9.38	9.37
92	9.38	9.38
93 and over	9.39	9.39

Option 4; refund life income. The amount of the installments noted below will be payable monthly throughout the lifetime of the designated beneficiary, but, if such beneficiary dies before payment of the number of installments certain noted below, the remaining unpaid monthly installments payable for such period certain as may be required in order that the sum of the installments certain (including a last install-

ment of such reduced amount as may be necessary) shall equal the face value of the contract less any indebtedness, will be payable as provided in § 8.89, 8.90, or 8.91, whichever may be applicable. The law does not authorize settlement under this option in any case in which less than 120 installments may be paid; if a male beneficiary is 77 or more years of age at the time of the death of the insured, payment will be made as

provided in option 3; if a female beneficiary is 79 or more years of age at the time of the death of the insured, payment will be made as provided in option 3.

OPTION 4

(Beneficiaries of any age up to and including 76 for a male beneficiary and 78 for a female beneficiary: Payable for life of first beneficiary with number of installments stated below guaranteed.)

Age of beneficiary at date of death of insured	Male beneficiary		Female beneficiary	
	Number of guaranteed monthly installments	Amount of each monthly installment per \$1,000 insurance payable to original beneficiary	Number of guaranteed monthly installments	Amount of each monthly installment per \$1,000 insurance payable to original beneficiary
10 and under.....	382	\$2.62	396	\$2.53
11.....	379	2.64	393	2.55
12.....	376	2.66	391	2.56
13.....	374	2.68	388	2.58
14.....	372	2.69	387	2.59
15.....	370	2.71	384	2.61
16.....	367	2.73	381	2.63
17.....	364	2.75	379	2.64
18.....	360	2.78	376	2.66
19.....	358	2.80	374	2.68
20.....	355	2.82	371	2.70
21.....	351	2.85	368	2.72
22.....	349	2.87	365	2.74
23.....	345	2.90	363	2.76
24.....	343	2.92	360	2.78
25.....	339	2.95	356	2.81
26.....	336	2.98	354	2.83
27.....	333	3.01	351	2.85
28.....	329	3.04	348	2.88
29.....	326	3.07	344	2.91
30.....	322	3.11	342	2.93
31.....	319	3.14	338	2.96
32.....	315	3.18	335	2.99
33.....	312	3.21	332	3.02
34.....	308	3.25	328	3.05
35.....	304	3.29	324	3.09
36.....	300	3.34	321	3.12
37.....	296	3.38	317	3.16
38.....	293	3.42	313	3.20
39.....	289	3.47	310	3.23
40.....	285	3.52	305	3.28
41.....	281	3.57	302	3.32
42.....	276	3.63	298	3.36
43.....	272	3.68	294	3.41
44.....	268	3.74	290	3.46
45.....	264	3.80	285	3.51
46.....	260	3.86	281	3.56
47.....	256	3.92	277	3.62
48.....	251	3.99	273	3.67
49.....	247	4.06	269	3.73
50.....	242	4.14	264	3.80
51.....	238	4.21	260	3.86
52.....	234	4.29	255	3.93
53.....	229	4.38	250	4.01
54.....	225	4.46	246	4.08
55.....	220	4.56	241	4.16
56.....	216	4.65	236	4.25
57.....	211	4.75	231	4.34
58.....	206	4.86	226	4.43
59.....	202	4.97	221	4.53
60.....	197	5.09	216	4.63
61.....	192	5.21	211	4.74
62.....	188	5.34	206	4.86
63.....	183	5.47	201	4.98
64.....	178	5.62	196	5.11
65.....	174	5.77	191	5.25
66.....	169	5.93	186	5.39
67.....	164	6.10	181	5.54
68.....	160	6.28	176	5.70
69.....	155	6.47	171	5.88
70.....	150	6.67	166	6.06
71.....	146	6.88	160	6.25
72.....	141	7.11	155	6.46
73.....	137	7.35	150	6.68
74.....	132	7.60	145	6.92
75.....	128	7.87	140	7.16
76.....	123	8.16	135	7.43
77.....	(1)	(1)	130	7.71
78.....	(1)	(1)	125	8.02
79.....	(1)	(1)	(1)	(1)

¹ For higher ages use installment given under Option 3.

§ 8.80d Payment to a beneficiary where the monthly installment of insurance, issued under the provisions of section 723 (b) of Title 38, United States Code, is less than \$10 under the option selected.

Where payment is to be made in 12 or 24 monthly installments (see § 8.77 (a) (5)), the amount of each monthly in-

stallment will be paid in accordance with the following table:

Number of monthly installments:	Amount of each monthly installment per \$1,000 insurance payable
12.....	\$84.24
24.....	42.66

22. The centerhead "Renewal of 5-Year Level Premium Term Insurance"

immediately following § 8.84 is amended to read "Renewal of Term Insurance".

23. In § 8.85, the headnote, paragraph (a), and that portion of paragraph (b) preceding subparagraph (1) are amended, and a new paragraph (c) is added to read as follows:

§ 8.85 Renewal of National Service life insurance on the 5-year level premium term plan and limited convertible 5-year level premium term plan.

(a) Effective July 23, 1953, except as provided in paragraph (c) of this section, all or any part of National Service life insurance on the 5-year level premium term plan or limited convertible 5-year level premium term plan, in any multiple of \$500 and not less than \$1,000, which is not lapsed at the expiration of any 5-year term period, shall be automatically renewed without application or medical examination for a successive 5-year period at the applicable level premium term rate for the then attained age of the insured: *Provided*, That in any case in which the insured is shown by evidence satisfactory to the Administrator to be totally disabled at the expiration of the term period of his insurance under conditions which would entitle him to continued insurance protection but for such expiration, such insurance, if subject to renewal under this paragraph, shall be automatically renewed for an additional period of 5 years at the premium rate for the then attained age. The renewal of insurance for any successive 5-year period will become effective as of the day following the expiration of the preceding term period, and the premium for such renewal will be at the applicable level premium term rate for the attained age of the policyholder on that day: *Provided further*, That no insurance is subject to renewal if the policyholder has exercised his optional right to change to another plan of insurance.

(b) Except as provided in paragraph (c) of this section, a 5-year level premium term policy or limited convertible term policy which lapsed for nonpayment of the premium due for the 59th (95th) or 60th (96th) month and subsequently expired on or after July 23, 1953, while in lapsed status, may be renewed subsequent to the expiration of the old term period provided the insured prior to the expiration of the new term period.

(c) Limited convertible 5-year level premium term insurance issued under the provisions of section 723 (b) of Title 38, United States Code, may not be renewed after the insured's fiftieth birthday.

24. Section 8.88 is revised to read as follows:

§ 8.88 Payment to designated beneficiaries where insurance matures on or after August 1, 1946.

National Service life insurance maturing on or after August 1, 1946, is payable to the designated beneficiary in 36 monthly installments unless one of the optional settlements as provided in § 8.79, § 8.80, or § 8.80c, whichever is

applicable, has been selected by the insured or the designated beneficiary. The monthly installments, without interest, which have accrued since the death of the insured (the first installment being due on the date of the death of the insured), and the monthly installments which thereafter are payable in accordance with the option selected, shall be paid to the designated beneficiary or beneficiaries.

25. The centerhead "Insurance Funds Established Under Sections 620 and 621 of the National Service Life Insurance Act, as Amended" immediately following § 8.102 is amended to read "National Service Life Insurance Nonparticipating Funds."

26. Section 8.103 is revised to read as follows:

§ 8.103 Crediting of premiums to and payment of benefits from the Service-Disabled Veterans' Insurance Fund and the Veterans' Special Term Insurance Fund.

(a) All premiums and other collections for insurance issued under the provisions of section 620 of the National Service Life Insurance Act, as amended, or section 722 (a) of Title 38, United States Code, shall be credited directly to a fund in the Treasury of the United States to be known as the Service-Disabled Veterans' Insurance Fund and any payments on such insurance shall be made directly from such fund.

(b) All premiums and other collections for insurance issued under the provisions of section 621 of the National Service Life Insurance Act, as amended, or section 723 (b) of Title 38, United States Code, and any total disability income provision added thereto, shall be credited directly to a fund in the Treasury of the United States to be known as the Veterans' Special Term Insurance Fund and any payments on such insurance and any total disability income provision added thereto shall be made directly from such fund.

27. Sections 8.111 and 8.112 are revised to read as follows:

§ 8.111 National Service life insurance issued under section 620 of the National Service Life Insurance Act, as amended, and section 722 (a) of Title 38, United States Code.

(a) National Service life insurance granted under the provisions of section 620 of the National Service Life Insurance Act, as amended, and section 722 (a) of Title 38, United States Code, shall be issued upon the same terms and conditions as are contained in the standard policies of National Service life insurance, except that (1) the premium rates, cash, loan, paid-up, and extended values shall be based upon the Commissioners 1941 Standard Ordinary Table of Mortality with interest at the rate of 2¼ per centum per annum; (2) all settlements on policies involving annuities shall be calculated on the basis of the annuity table for 1949 with interest at the rate of 2¼ per centum per annum; (3) all such insurance shall be issued on a nonparticipating basis; and (4) waiver of premiums under section 602 (n) of the

National Service Life Insurance Act, as amended, or section 712 of Title 38, United States Code, shall not be denied because the service-connected disability of the applicant became total in degree prior to the effective date of such insurance.

(b) National Service life insurance granted under section 620 of the National Service Life Insurance Act, as amended, and section 722 (a) of Title 38, United States Code, shall be on one or more of the following plans: 5-year level premium term, ordinary life, 20-payment life, 30-payment life, 20-year endowment, endowment at age 60, and endowment at age 65: *Provided*, That no insurance shall be issued on an endowment plan if the applicant is totally disabled. Insurance issued under said sections 620 and 722 (a) shall be in an amount of not more than \$10,000 nor less than \$1,000 in multiples of \$500: *Provided*, That no policy may be issued for less than \$1,000: *Provided further*, That no person may carry at any one time a combined amount of insurance in force in excess of \$10,000 under the War Risk Insurance Act, as amended, the World War Veterans' Act, as amended, the National Service Life Insurance Act, as amended, and chapter 19 of Title 38, United States Code.

§ 8.112 National Service life insurance issued under section 621 of the National Service Life Insurance Act, as amended, and section 723 (b) of Title 38, United States Code.

(a) National Service life insurance granted under the provisions of section 621 of the National Service Life Insurance Act, as amended, shall be issued upon the same terms and conditions as are contained in the standard policies of National Service life insurance on the 5-year level premium term plan, except (1) such insurance may not be exchanged for or converted to insurance on any other plan prior to January 1, 1959; (2) the premium rates for such insurance shall be based on the Commissioners 1941 Standard Ordinary Table of Mortality with interest at the rate of 2¼ per centum per annum; (3) all settlements on policies involving annuities shall be calculated on the basis of the annuity table for 1949, with interest at the rate of 2¼ per centum per annum; and (4) such insurance and any total disability income provision added thereto shall be nonparticipating. National Service life insurance granted under section 621 of the National Service Life Insurance Act shall be in an amount of not more than \$10,000 nor less than \$1,000 in multiples of \$500: *Provided*, That no policy shall be issued for less than \$1,000.

(b) Effective January 1, 1959, 5-year level premium term insurance issued under section 621 of the National Service Life Insurance Act, as amended, may be converted to a permanent plan of insurance or exchanged for a policy of limited convertible five-year level premium term insurance issued pursuant to section 723 (b) of Title 38, United States Code. National Service life insurance issued pursuant to such section of the code shall be issued upon the same terms and conditions as are contained in standard

policies of National Service life insurance except (1) after September 1, 1960, limited convertible term insurance may not be issued or renewed after the insured's fiftieth birthday; (2) the premium rates, cash, loan, paid-up and extended values shall be based on table X-18 (1950-54 Intercompany Table of Mortality) with interest at the rate of 2½ per centum per annum; (3) all settlements on policies involving annuities shall be calculated on the basis of the annuity table for 1949 with interest at the rate of 2½ per centum per annum; (4) such insurance and any total disability income provision added thereto shall be nonparticipating. Insurance issued under section 723 (b) of Title 38, United States Code, shall not be in excess of the amount of insurance in force granted under section 621 of the National Service Life Insurance Act and shall be in multiples of 500 but no policy shall be for less than \$1,000.

(c) No person may carry at any one time a combined amount of insurance in force in excess of \$10,000 under the War Risk Insurance Act, as amended, the World War Veterans' Act, as amended, the National Service Life Insurance Act, as amended, and chapter 19 of Title 38, United States Code.

28. The centerhead "Premium Waiver Under Section 622 of the National Service Life Insurance Act, as Amended" immediately following § 8.112 is amended to read "Premium Waiver Under Section 622 of the National Service Life Insurance Act, as Amended, and Section 724 of Title 38, United States Code."

29. In § 8.113, the headnote and paragraphs (d), (e), (j), (k), (l), and (m) are amended to read as follows:

§ 8.113 Premium waiver under section 622 of the National Service Life Insurance Act, as amended, and section 724 of Title 38, United States Code. * * *

(d) Premiums tendered on term insurance to cover a period during which waiver is effective under this section shall be refunded without interest. If premiums for the full amount are tendered in payment of permanent plan insurance during a period in which waiver is effective under this section, only that portion of such premiums which represents the cost of pure insurance risk, as determined by the Administrator, shall be refunded, and such refund shall be with interest.

(e) National Service life insurance on the 5-year level premium term plan or limited convertible 5-year level premium term plan shall be automatically renewed for an additional 5-year period at the premium rate for the then attained age of the insured, provided the premiums on such insurance are being waived under this section at the expiration of the term period: *Provided*, That limited convertible term insurance may not be renewed after the insured's fiftieth birthday. The renewal of insurance under this paragraph shall be effective as of the day following the expiration of the preceding term period, and the premium for such renewed insurance will be at the applicable level premium term rate for the attained age of the insured on

that day. The premiums on the insurance renewed under this paragraph shall continue to be waived while the insured continues in active service and for 120 days after separation therefrom.

(j) If waiver of premiums is granted under section 602 (n) of the National Service Life Insurance Act, as amended, or section 712 of Title 38, United States Code, while premiums are being waived under this section, waiver under this section will be suspended. If the insured is otherwise entitled, upon termination of waiver under section 602 (n) or section 712, waiver of premiums under this section will be resumed for the remainder of the insured's continuous active service and for 120 days thereafter.

(k) Waiver of premiums under this section shall not include the premiums due and payable on the total disability income provision attached to such National Service life insurance policy.

(l) During any period waiver of premium is effective under this section, the insurance shall be nonparticipating.

(m) A 5-year level premium term or limited convertible term policy on which premiums have been waived under this section during any portion of the term period shall have no reserve value.

(72 Stat. 1114; 38 U. S. C. 210)

[SEAL]

BRADFORD MORSE,
Deputy Administrator.

[F. R. Doc. 58-10801; Filed, Dec. 31, 1958;
8:50 a. m.]

Title 44—PUBLIC PROPERTY AND WORKS

Chapter I—General Services Administration

PART 3—FRANKLIN D. ROOSEVELT LIBRARY

Effective January 1, 1959, Part 3 of Title 44, Code of Federal Regulations, is revised to read as follows:

- Sec.
3.0 Scope.
3.1 Definitions.
3.2 Legal custody.
3.3 General conduct.
3.4 Photography by visitors.

AVAILABILITY AND USE OF HISTORICAL MATERIALS

- 3.10 Application for permission to use historical material.
3.11 Admission card.
3.12 Withdrawal of admission card.
3.13 Restricted materials.
3.14 Hours of admission.

RESEARCH ROOM RULES

- 3.20 Requests for historical material.
3.21 Researcher's responsibility for historical material.
3.22 Prevention of damage to historical material.
3.23 Limitation on quantity.
3.24 Removal prohibited.
3.25 Disturbance prohibited.
3.26 Smoking and eating prohibited.

LOANS, REPRODUCTION FEES, AND PUBLICATION

- 3.30 Loans.
3.31 Reproduction fees.
3.32 Publication of historical material.
3.33 Authentication and attestation of copies; costs.

LEGAL DEMANDS

- Sec.
3.40 Service of subpoena or other legal demand; compliance.

MUSEUM

- 3.50 Admission fee.
3.51 Free admissions.
3.52 Hours of admission.
3.53 Checking of certain personal property.

AUTHORITY: §§ 3.0 to 3.53 issued under sec. 205, 63 Stat. 389, as amended; 40 U. S. C. 486. Interpret or apply sec. 507, 64 Stat. 587, as amended; 44 U. S. C. 397.

§ 3.0 Scope.

The provisions of this part apply to the Franklin D. Roosevelt Library.

§ 3.1 Definitions.

As used in this part, unless the context otherwise requires:

(a) The term "Library" means the Franklin D. Roosevelt Library, Hyde Park, New York.

(b) The term "Administrator" means the Administrator of General Services.

(c) The term "Archivist" means the Archivist of the United States.

(d) The term "Director" means the Director of the Franklin D. Roosevelt Library.

(e) The term "historical materials" includes books, correspondence, documents, papers, pamphlets, work of art, models, pictures, photographs, plats, maps, films, motion pictures, sound recordings, and other objects or materials having historical or commemorative value.

§ 3.2 Legal custody.

The Administrator has legal custody of historical material in the Library.

§ 3.3 General conduct.

All persons entering in or upon Library property are subject to the general regulations covering public buildings and grounds issued by the Administrator (Subpart A, Part 100 of this chapter).

§ 3.4 Photography by visitors.

Visitors are permitted to take photographs in the Library without restriction if flash bulbs or other special photographing devices are not used, and the photographs are not intended for commercial use. Persons desiring to take photographs requiring the use of photographing devices, tripods or other elaborate equipment, or for commercial purposes, must obtain special permission from the Director. Applications for such permission should be made to the Director.

AVAILABILITY AND USE OF HISTORICAL MATERIAL

§ 3.10 Application for permission to use historical materials.

Permission to use unrestricted historical materials may be obtained by making advance written application to the Director on a form provided for the purpose, and stating clearly therein the specific subject of the applicant's interest, and the purpose of his study. An applicant must satisfy the Director that he is qualified to do research, and that his proposed study has a serious and useful purpose.

§ 3.11 Admission card.

If the application is approved, a card will be issued permitting the applicant to use in the Research Room those unrestricted historical materials that bear on the subject of the applicant's interest as stated in his application. This card is valid for a period not in excess of one year, but may be renewed on application.

§ 3.12 Withdrawal of admission card.

The card of admission may be withdrawn by the Director for any violation of the provisions of this part, or for disregarding the authority of the supervisor in charge.

§ 3.13 Restricted materials.

In accordance with the provisions of section 507 (f) (3) of the Federal Property and Administrative Services Act of 1949 (44 U. S. C. 397 (f) (3)), materials on which restrictions on availability have been specified in writing by the donors or depositors will be made available subject to the restrictions specified. The following classes of material will not be made available for examination or use:

(a) Materials on which the Archivist has imposed restrictions.

(b) Materials restricted by law or Executive order.

(c) Materials containing information the disclosure of which would be prejudicial to the national interest or security of the United States.

§ 3.14 Hours of admission.

The Research Room will be open from 9 a. m. to 5 p. m. Monday through Friday, Federal legal holidays excepted, and at such other times as the Director may authorize.

RESEARCH ROOM RULES

§ 3.20 Requests for historical materials.

Requests for historical materials must be made to the Research Room supervisor on a form provided for that purpose.

§ 3.21 Researcher's responsibility for historical materials.

When a researcher has completed his use of historical materials or leaves the Research Room other than for short periods of time, he must notify the supervisor. A researcher is responsible for all historical materials delivered to him until they have been returned by him to the supervisor.

§ 3.22 Prevention of damage to historical materials.

The researcher is required to exercise all possible care to prevent damage to historical materials, and to maintain papers in the order in which they are delivered to him. Except when a supervisor authorizes the use of a fountain pen, the use of ink at desks upon which there are historical materials is prohibited. Historical materials may not be leaned upon, written upon, folded anew, traced or handled in any way likely to damage them. The use of historical materials of exceptional value or in fragile condition is subject to such special restrictions as the supervisor may deem necessary.

§ 3.23 Limitation on quantity.

The supervisor in charge of the Research Room may limit the quantity of historical materials to be delivered to a researcher at any one time.

§ 3.24 Removal prohibited.

Researchers may not take historical materials from the Research Room.

§ 3.25 Disturbance prohibited.

Loud talking and other activities likely to disturb researchers are prohibited. Persons wishing to use typewriters or sound recording devices may be requested to work in specially designated areas.

§ 3.26 Smoking and eating prohibited.

Smoking and eating in the Research Room are prohibited.

LOANS, REPRODUCTION FEES, AND PUBLICATION

§ 3.30 Loans.

Historical materials may not be borrowed for use outside the Library except upon authorization in each instance by the Archivist.

§ 3.31 Reproduction fees.

The Library will, for a fee, furnish reproductions of unrestricted historical materials. Fees must be paid in advance except when payment on an "accounts receivable" basis is approved by the Director.

§ 3.32 Publication of historical material.

Historical materials made available to researchers may not be published except upon the written authorization of the Director.

§ 3.33 Authentication and attestation of copies; costs.

The Director is authorized to authenticate and attest, for and in the name of the Archivist, copies or reproductions of unrestricted historical materials. Such copies or reproductions will be furnished upon payment of costs.

LEGAL DEMANDS

§ 3.40 Service of subpoena or other legal demand; compliance.

When a subpoena duces tecum or other legal demand for the production of historical materials in the Library is served upon the Administrator, the Administrator will, so far as legally practicable, comply with such subpoena or demand by submitting authenticated copies of such material, or the original material if necessary, unless he determines that disclosure of the information is contrary to law or Executive order, would violate restrictions authorized by law and specified in writing by the donors or depositors of the material, or would prejudice the national interest or security of the United States. When a subpoena or demand for historical materials is served upon any officer or employee of the General Services Administrator other than the Administrator, he will, so far as legally practicable and unless otherwise directed by the Administrator, respectfully decline to produce such material on the ground that he does not have legal custody thereof, is without author-

ity under this part to produce the same, and that the Administrator has not determined that production of the material is in accordance with the regulations in this part.

MUSEUM

§ 3.50 Admission fee.

A charge of 40 cents shall be collected from each person visiting and viewing the museum portion of the Library, except as provided in § 3.51.

§ 3.51 Free admissions.

The following persons will be admitted to the museum free of charge: *Provided*, That the applicable tax, if any, will be collected from such persons unless exempt by law:

(a) *Without prior application.* (1) Children 12 years of age or under when accompanied by an adult assuming responsibility for their safety and orderly conduct.

(2) Uniformed members of the Armed Forces of the United States.

(3) Persons in the support or care of charitable institutions and their attendants.

(b) *When prior application has been made.* (1) Persons from educational institutions when such persons are accompanied by officers or instructors of such institutions.

(c) *Special cases.* Persons engaged in business affecting the Library and other persons when specifically authorized by the Director.

§ 3.52 Hours of admission.

The museum portion of the Library will be open from 10 a. m. to 5 p. m., Tuesday through Sunday, including Federal legal holidays, except Christmas, and at such other times as the Director may authorize. The museum will also be open each Monday that is a Federal legal holiday other than Christmas.

§ 3.53 Checking of certain personal property.

Visitors to the museum rooms of the Library must check all parcels, luggage, and such other personal property as may be determined by the Director at a place designated by the Director.

FRANKLIN FLOETE,
Administrator.

[F. R. Doc. 58-10804; Filed, Dec. 31, 1958; 8:45 a. m.]

Title 45—PUBLIC WELFARE

Chapter V—Foreign Claims Settlement Commission of the United States

SUBCHAPTER A—RULES OF PRACTICE

PART 500—APPEARANCE AND PRACTICE BEFORE THE COMMISSION

SUBCHAPTER C—RECEIPT, ADMINISTRATION AND PAYMENT OF CLAIMS UNDER THE INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949, AS AMENDED

PART 531—FILING OF CLAIMS AND PROCEDURES THEREFOR

Miscellaneous Amendments

1. Section 500.2 (b) is hereby amended to read as follows:

(b) The total remuneration on account of services rendered or to be rendered to or on behalf of any claimant in connection with any claim falling within the purview of Title III of the Act shall not exceed ten per centum of the total amount paid on account of such claim, except that the Commission may upon petition, as prescribed in § 500.3, in its discretion enter an order authorizing such remuneration in an amount which exceeds the maximum otherwise permitted.

2. After § 500.2 (b) a new paragraph is added as follows:

(c) The total remuneration on account of services rendered or to be rendered to or on behalf of any claimant in connection with any claim falling within Title IV of the Act shall not exceed ten per centum of the total amount paid on account of such claim.

3. In § 500.3, the heading is hereby amended to read as follows:

§ 500.3 Petitions for additional remuneration pursuant to section 317 (b) of Title III of the Act.

(Sec. 2, 62 Stat. 1240, as amended, sec. 3, 64 Stat. 13, as amended; 50 U. S. C. App. 2001, 22 U. S. C. 1622)

4. Section 531.1 is hereby amended to read as follows:

§ 531.1 Time for filing.

(a) Claims under Title III of the Act shall be filed with the Commission on or before September 30, 1956, except that claims pursuant to section 305 (Soviet claims) shall be filed on or before March 31, 1956.

(b) Claims under Title IV (Czechoslovakian claims) of the Act shall be filed with the Commission on or before August 1, 1959.

5. After § 531.2 (b), a new paragraph is added as follows:

(c) FCSC Form 604 (Claim against the Government of Czechoslovakia).

6. After § 531.5 (i) a new paragraph is added as follows:

(j) (1) In case a claimant dies prior to the issuance of a Final Decision his legal representative shall promptly file proof of his capacity. Thereupon the legal representative shall be substituted as party claimant. However, upon failure to comply with the foregoing, the Commission may issue its decision in the name of the estate, and in the case of an award, certify the award so issued to the Secretary of the Treasury for payment, as provided by the Act.

(2) Notice of the Commission's action under this subparagraph shall be forwarded to the claimant's attorney of record, or if claimant is not represented by an attorney, such notice shall be addressed to the estate of the claimant at the last known place of residence.

(3) The term "legal representative" as applied in this subparagraph means, in general, the administrator or executor, heir(s), next of kin, or descendant(s).

7. In § 531.6, paragraph (e) is hereby amended to read as follows:

(e) Hearings may be stenographically reported either at the request of the claimant or upon the discretion of the Commission. Claimants making such a request shall notify the Commission at least ten (10) days prior to the hearing date. When a stenographic record of a hearing is ordered at the claimant's request, the cost of such reporting and transcription may be charged to him.

8. After § 531.7, a new section is added as follows:

§ 531.8 Priority in processing claims under section 304 of the Act.

(a) Claims found to have been continuously owned by United States nationals from the date of loss shall receive priority with respect to processing and payment of principal amounts of awards found due.

(b) After the payment of principal amounts of such awards, claims of persons who were non-nationals of the United States at the time of their losses, provided that such persons acquired United States nationality prior to August 9, 1955, shall be processed.

9. After § 531.8 a new section is added as follows:

§ 531.9 Claims filed under Title IV of the Act are subject to applicable claims agreement with Czechoslovakia.

All claims filed under Title IV of the Act are subject to the terms and conditions of any applicable claims agreement, if any, between the Governments of Czechoslovakia and the United States which may be concluded prior to August 8, 1959.

(Sec. 3, 64 Stat. 13, as amended; 22 U. S. C. 1622)

WHITNEY GILLILLAND,
Chairman, Foreign Claims Settlement Commission of the United States.

[F. R. Doc. 58-10772; Filed, Dec. 31, 1958; 8:46 a. m.]

Title 46—SHIPPING

Chapter II—Federal Maritime Board, Maritime Administration, Department of Commerce

SUBCHAPTER G—EMERGENCY OPERATIONS

[General Order 82, Amdt. 1]

PART 309—WAR RISK INSURANCE VALUES

Provision of Vessel Data

Section 309.8 (a) is amended by changing the second sentence thereof to read "The owner of a vessel for which a war risk hull insurance binder has been issued pursuant to Subpart B of Part 308 of this chapter (General Order 75 (Revised) 22 F. R. 1175) shall provide the Maritime Administrator, Washington 25, D. C., by March 1, 1959, with the vessel data required by this section."

(Sec. 204, 49 Stat. 1987, as amended, sec. 1209, 64 Stat. 775, as amended, 46 U. S. C. 1114, 1289)

Dated: December 24, 1958.

[SEAL] CLARENCE G. MORSE,
Maritime Administrator.

[F. R. Doc. 58-10792; Filed, Dec. 31, 1958; 8:48 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 120]

TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Notice of Filing of Petition for Establishment of Tolerance for Residues of 2,4-Dichloro-6-(o-Chloroanilino)-Triazine

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 408 (d) (1), 68 Stat. 512; 21 U. S. C. 346a (d) (1)), the following notice is issued:

A petition has been filed by Chemagro Corporation, Post Office Box 4913, Hawthorn Road, Kansas City 20, Missouri, proposing the establishment of a tolerance of 10 parts per million for residues of 2,4-dichloro-6-(o-chloroanilino)-triazine in or on celery.

No. 1—4

The analytical method proposed in the petition for determining residues of 2,4-dichloro-6-(o-chloroanilino)-triazine is that described in the FEDERAL REGISTER of July 12, 1957 (22 F. R. 4918).

Dated: December 23, 1958.

[SEAL] ROBERT S. ROE,
Director, Bureau of Biological and Physical Sciences.

[F. R. Doc. 58-10791; Filed, Dec. 31, 1958; 8:48 a. m.]

CIVIL AERONAUTICS BOARD

[14 CFR Parts 1-18, 40-43, 60]

[Draft Release No. 58-23]

PROVISIONAL CERTIFICATION AND OPERATION OF AIRCRAFT

Special Civil Air Regulation; Notice of Proposed Rule Making

Pursuant to authority delegated by the Civil Aeronautics Board to the Bureau of Safety, notice is hereby given that the Bureau will propose the adoption of a

Special Civil Air Regulation as herein-after set forth.

Interested persons may participate in the making of the proposed rules by submitting such written data, views, or arguments as they may desire. Communications should be submitted in duplicate to the Civil Aeronautics Board, attention Bureau of Safety, Washington 25, D. C. In order to insure their consideration before taking further action on the proposed rules, communications must be received by Feb. 16, 1959. Copies of such communications will be available after Feb. 18, 1959, for examination by interested persons at the Docket Section of the Board, Room 5412, Department of Commerce Building, Washington, D. C., or at the offices of the Federal Aviation Agency, as appropriate.

Section 1.73 of Part 1 of the Civil Air Regulations provides for the issuance of experimental certificates for amateur-built aircraft, and for aircraft which are to be used for experiment, exhibition, air racing, and to show compliance with the airworthiness regulations for the issuance of type certificates and related purposes. This regulation is of long standing and, except for relatively recent developments, has apparently satisfactorily fulfilled the needs of the aviation industry in permitting the conduct of such special flight operations as are necessary for the development, marketing, and certification of new type aircraft.

Recently, however, new CAA policies have been established with respect to the use of aircraft possessing experimental certificates inasmuch as a review of administrative and regulatory interpretations has cast doubt on the legality of permitting such operations to continue under existing authority.

In accordance with the new CAA policies, aircraft operated under authority of an experimental certificate cannot, as in the past, be operated by manufacturers for purposes of demonstration and market surveys, nor can they be operated to train crews. The training of crews for production flight testing, however, is permitted by the Board's interpretation of § 1.73 (Interpretation No. 1 to Part 1, adopted June 20, 1958).

The Board's promulgation of Special Civil Air Regulation No. SR-425A provides some relief in these areas. However, it applies only to multiengine turbine-powered transport category airplanes operated for the purpose of crew training, service testing, and simulated air carrier operations. This excludes all personal and executive type aircraft, whether piston or turbine-powered, as well as all rotorcraft.

The Bureau is of the opinion that operations involving demonstrations, market surveys, and various kinds of crew training by the manufacturer are in the public interest and should be permitted even on aircraft which do not possess a type certificate, providing the aircraft's basic airworthiness has been established and proper limitations are adhered to. Accordingly, the proposal contained herein establishes conditions of certification and operation of aircraft under the terms of Class I provisional certification.

In addition to the establishment of the Class I provisional certification, the proposal herein establishes a Class II provisional certification. The latter is substantively similar to the provisional certification now prescribed in SR-425A except that the conditions are being broadened to include all transport category aircraft rather than only turbine-powered airplanes and no limit is set for the duration of the provisional type certificate.

As now being proposed, the main differences between the Class I and Class II provisional certifications are that the Class II provisionally certificated aircraft are limited to those in the transport category; they can be operated not only by the manufacturer but also by a certificated air carrier, and the conditions of establishing Class II airworthiness are more stringent and the operating limitations more confining.

The Bureau believes that the establishment of Class I and Class II provisional certification in accordance with the following will contribute to the development of the aviation industry without compromising safety.

Upon adoption, this special regulation will supersede Special Civil Air Regulation No. SR-425A.

In view of the foregoing, notice is hereby given that the Bureau proposes to recommend the promulgation of a new Special Civil Air Regulation as set forth below.

This Special Civil Air Regulation is proposed under the authority of Title VI of the Civil Aeronautics Act of 1938, as amended. The proposal may be changed in light of comment received in response to this notice of proposed rule making.

(Sec. 205, 52 Stat. 984; 49 U. S. C. 425. Interpret or apply secs. 601-610, 52 Stat. 1007-1012, as amended; 49 U. S. C. 551-560)

Dated at Washington, D. C., December 23, 1958.

By the Bureau of Safety.

[SEAL]

OSCAR BAKKE,
Director.

Contrary provisions of the Civil Air Regulations notwithstanding, aircraft shall be eligible for provisional certification and operation in accordance with the provisions of this regulation.

SECTION 1. General—(a) Certification. Provisional certification of aircraft shall consist of Class I type and airworthiness certification and Class II type and airworthiness certification. The following general conditions shall apply:

(1) Provisional type certification shall be limited to applicants for original type certification, and the type certificate shall not be transferable.

(2) The application for provisional type and airworthiness certification shall be made in a manner prescribed by the Administrator.

(b) *Duration.* Provisional type certificates shall remain in effect for an indefinite period of time, unless sooner superseded, revoked, or otherwise terminated by the Administrator or the Board.

(c) *Operations.* Provisionally certificated aircraft shall be operated only within the United States, its territories, and possessions, unless otherwise specifically authorized by the Board.

SEC. 2. Class I provisional type certificate—(a) Applicant. A United States manufacturer of aircraft may apply for the issuance of a Class I provisional type certificate, provided that he has applied to the Administrator for the issuance of a type certificate for such aircraft.

(b) *Requirements for issuance.* The Administrator shall issue a Class I provisional type certificate for an aircraft for which application is made in accordance with this regulation when the conditions of subparagraphs (1) through (6) of this paragraph are met.

(1) The applicant shall certify that the aircraft has been designed and constructed to comply with those airworthiness requirements applicable to the issuance of the type certificate for that aircraft.

(2) The applicant shall have flown the aircraft in all maneuvers necessary to show compliance with the flight requirements applicable to the issuance of the corresponding type certificate and in any other flight tests necessary to establish that the aircraft can be safely operated within the limitations established in accordance with subparagraph (4) of this paragraph. A report of these flight tests shall be submitted to the Administrator.

(3) An aircraft, conforming to the type for which a type certificate has been applied, shall have been flown at least 50 hours by the applicant under the authority of an experimental certificate issued in accordance with the provisions of Part 1 of the Civil Air Regulations.

(4) The applicant shall establish appropriate limitations on the operation of the aircraft in respect of weights, speeds, flight maneuvers, loading, operation of controls and equipment, and any other relevant factors to insure safety.

(5) The applicant shall establish an inspection and maintenance program for the aircraft.

(6) The Administrator, on the basis of information submitted to him by the applicant in compliance with the provisions of this paragraph and of other relevant information, shall find that the aircraft has no feature, characteristic, or condition which renders it unsafe when operated according to the limitations established in compliance with subparagraph (4) of this paragraph, and under such additional restrictions as he considers necessary to prescribe to insure safe operations.

(c) *Design changes.* Where changes affecting adversely the basic airworthiness of the aircraft are made to the type design without involving a new type as defined by the relevant type certification requirements, the aircraft incorporating such changes shall be shown to comply with all of the provisions of paragraph (b) of this section except that the number of flight hours required by paragraph (b) (3) of this section may be reduced if found acceptable by the Administrator.

SEC. 3. Class II provisional type certificate—(a) Applicant. A United States manufacturer of aircraft may apply for the issuance of a Class II provisional type certificate, provided that he has applied to the Administrator for the issuance of a transport category type certificate for such aircraft, and that he is a holder of a type certificate for at least one other aircraft in the corresponding transport category, and has a currently effective production certificate for that type.

(b) *Requirements for issuance.* The Administrator shall issue a Class II provisional type certificate for an aircraft for which application is made in accordance with this regulation when the conditions of subparagraphs (1) through (8) of this paragraph are met.

(1) The applicant shall certify that the aircraft has been designed and constructed to comply with those airworthiness require-

ments applicable to the issuance of the type certificate for that aircraft.

(2) The applicant shall submit the report of flight tests required by the relevant Part of the Civil Air Regulations for the corresponding type certificate and the Administrator's official flight test program with respect to the issuance of the type certificate shall be in progress.

(3) An aircraft, conforming to the type for which a type certificate has been applied, shall have been flown at least 100 hours by the applicant under the authority of an experimental certificate issued in accordance with the provisions of Part I of the Civil Air Regulations, or under the conditions of a Class I provisional type certificate.

(4) The applicant shall have flown the aircraft in all maneuvers necessary to show compliance with those flight requirements applicable to the issuance of the type certificate.

(5) The applicant shall have prepared a provisional flight manual containing all the limitations, information, and procedures as are required for the issuance of the type certificate for that aircraft: *Provided*, That where all limitations, information, and procedures have not been established, the applicant shall establish appropriate restrictions on the operation of the aircraft.

(6) The applicant shall state that the aircraft is considered safe for operations permitted by section 7 of this regulation when conducted in accordance with the provisional flight manual prescribed in subparagraph (5) of this paragraph.

(7) The applicant shall establish special inspections and maintenance instructions considered by him necessary to insure continued airworthiness of the aircraft.

(8) The Administrator shall find, on the basis of the information submitted to him by the applicant in compliance with the provisions of this paragraph and of other relevant information, that the aircraft has no feature, characteristic, or condition which renders it unsafe when operated in accordance with the provisional flight manual prescribed in subparagraph (5) of this paragraph and maintained in accordance with the inspection and maintenance instructions prescribed in subparagraph (7) of this paragraph.

(c) *Design changes.* Where changes affecting adversely the basic airworthiness of the aircraft are made to the type design without involving a new type as defined by the relevant type certification requirements, the aircraft incorporating such changes shall be shown to comply with all of the provisions of paragraph (b) of this section except that the number of flight hours required by paragraph (b) (3) of this section may be reduced if found acceptable by the Administrator.

SEC. 4. Class I provisional airworthiness certificates—(a) Applicant. Only the holder of the corresponding Class I provisional type certificate may apply for the issuance of Class I provisional airworthiness certificates.

(b) *Requirements for issuance.* The Administrator shall issue a Class I provisional airworthiness certificate when the conditions of subparagraphs (1) through (5) of this paragraph are met.

(1) The applicant shall present a statement of conformity that the aircraft conforms to the corresponding Class I provisional type certificate.

(2) The aircraft shall have been flown at least 5 hours by the manufacturer and found by him to be in safe operating condition.

(3) The limitations established by the applicant in accordance with paragraph (b) (4) of section 2 of this regulation and any additional restrictions found necessary by the Administrator in accordance with paragraph (b) (6) of section 2 of this regulation shall be clearly displayed in the cockpit, or shall be included in a provisional manual.

(4) The words "Class I Provisional Airworthiness" shall be displayed on the exterior of the aircraft adjacent to each entrance to the cabin or cockpit of the aircraft with letters not less than 2 inches in height.

(5) The Administrator shall find, on the basis of the provisions contained in this regulation, that the aircraft is safe for operations permitted by the provisions of section 6 of this regulation with the limitations and restrictions found by him to be necessary under paragraph (6) (b) of section 2 of this regulation.

(c) *Transferability.* A Class I provisional airworthiness certificate shall not be transferable.

(d) *Duration.* A Class I provisional airworthiness certificate shall remain in effect for one year unless sooner superseded, revoked, or otherwise terminated by the Administrator or the Board. Renewal of the airworthiness certificate for additional periods of time shall be contingent upon showing of compliance with the provisions of this section.

Sec. 5. *Class II provisional airworthiness certificates*—(a) *Applicant.* Only the holder of the corresponding Class II provisional type certificate or a certificated United States air carrier authorized to conduct operations by section 7 of this regulation may apply for the issuance of Class II provisional airworthiness certificates.

(b) *Requirements for issuance.* The Administrator shall issue a Class II provisional airworthiness certificate when the conditions of subparagraphs (1) through (6) of this paragraph are met.

(1) The applicant shall present a statement of conformity that the aircraft conforms to the corresponding Class II provisional type certificate.

(2) The aircraft shall have been manufactured under a quality control system established in anticipation of, and intended to be used as a basis for, the production certificate to be issued to cover that aircraft.

(3) The aircraft shall have been flown at least 5 hours by the manufacturer and found by him to be in safe operating condition.

(4) The aircraft shall be furnished with a provisional flight manual as required by paragraph (b) (5) of section 3 of this regulation.

(5) The words "Class II Provisional Airworthiness" shall be displayed on the exterior of the aircraft adjacent to each entrance to the cabin or cockpit of the aircraft with letters not less than 2 inches in height.

(6) The Administrator shall find, on the basis of the provisions contained in this regulation, that the aircraft is safe for operations permitted by the provisions of section 7 of this regulation when operated in accordance with the provisional flight manual prescribed by paragraph (b) (5) of section 3 of this regulation, and maintained in accordance with the inspection and maintenance instructions prescribed in paragraph (b) (7) of section 3 of this regulation.

(c) *Transferability.* A Class II provisional airworthiness certificate shall be transferable only to a certificated United States air carrier authorized to conduct operations by section 7 of this regulation.

(d) *Duration.* A Class II provisional airworthiness certificate shall remain in effect for 6 months unless sooner superseded, revoked, or otherwise terminated by the Administrator or the Board. Renewal of the airworthiness certificate for additional periods of time shall be contingent upon showing of compliance with the provisions of this section.

Sec. 6. *Class I operations*—(a) *General.* Only the holder of the airworthiness certificate may operate Class I provisionally certificated aircraft. Such operations shall be in compliance with subparagraphs (1) through (9) of this paragraph.

(1) Operations shall not be in air transportation and shall be limited to the following:

(i) Flights conducted in direct conjunction with the type certification of the aircraft;

(ii) Crew training;

(iii) Demonstrations to prospective purchasers;

(iv) Market surveys;

(v) Flight checking of instruments, accessories, and equipment, the functioning of which does not adversely affect the basic Class I provisional airworthiness of the aircraft; and

(vi) Such other related operations as might be specifically authorized by the Administrator.

(2) Only those persons may be carried who have a bona fide interest in the operations listed in paragraph (a) (1) of this paragraph, and who have a full knowledge of the provisional airworthiness of the aircraft.

(3) Except on flights conducted in direct conjunction with the type certification of the aircraft, all operations shall be within the limitations and restrictions displayed in the cockpit and/or included in the provisional manual in compliance with subparagraph (b) (3) of section 4 of this regulation.

(4) Operations which are conducted for the purposes delineated in the definition of "flight test" in § 60.60 of Part 60 of the Civil Air Regulations shall be conducted in accordance with § 60.24 of that part.

(5) The operator shall establish procedures for the use and guidance of flight and ground operations personnel in the conduct of its operations. Specific procedures shall be established for operations from and into airports where the runways require take-offs or approaches over populated areas. These procedures shall be approved by the Administrator.

(6) The operator shall insure that each flight crew member possesses adequate knowledge of and familiarity with the aircraft and the procedures to be used by him.

(7) The aircraft shall be maintained in accordance with applicable Civil Air Regulations, with the inspection and maintenance program established in accordance with paragraph (b) (5) of section 2 of this regulation, and with any special inspections and maintenance instructions prescribed by the Administrator.

(8) No aircraft shall be operated under authority of a Class I provisional airworthiness certificate if the manufacturer or the Administrator determines that a change in design, construction, or operation is necessary to insure safe operation until such a change is made and approved by the Administrator. (See also § 1.24 of Part 1 of the Civil Air Regulations.)

(9) The Class I provisional airworthiness certificate shall be prominently displayed in the aircraft at all times.

Sec. 7. *Class II operations*—(a) *General.* Only the manufacturer holding the corresponding Class II provisional type certificate, or an air carrier holding an air carrier operating certificate issued by the Administrator in accordance with Part 40, 41, or 42 of the Civil Air Regulations, may operate Class II provisionally certificated aircraft. Such operations shall be in compliance with subparagraphs (1) through (9) of this paragraph. In addition, the air carrier shall comply with the provisions of paragraph (b) of this section.

(1) Operations shall not be in air transportation, and shall be limited to the following:

(i) Service testing of the aircraft;

(ii) Crew training;

(iii) Simulated air carrier operations; and

(iv) Such other related operations as might be specifically authorized by the Board.

(2) Only those persons may be carried who have a bona fide interest in the opera-

tions listed in paragraph (a) (1) of this paragraph and who have a full knowledge of the provisional airworthiness of the aircraft. (For operations by air carriers, see paragraph (b) (1) of this section.)

(3) The aircraft shall be operated in accordance with the limitations, information, and procedures prescribed in the provisional flight manual prepared in accordance with paragraph (b) (5) of Section 3 of this regulation.

(4) Operations which are conducted for the purposes delineated in the definition of "flight test" in § 60.60 of Part 60 of the Civil Air Regulations shall be conducted in accordance with § 60.24 of that part.

(5) The operator shall establish procedures for the use and guidance of flight and ground operations personnel in the conduct of its operations. Specific procedures shall be established for operations from and into airports where the runways require take-offs or approaches over populated areas. These procedures shall be approved by the Administrator.

(6) The operator shall insure that each flight crew member possesses adequate knowledge of and familiarity with the aircraft and the procedures to be used by him.

(7) The aircraft shall be maintained in accordance with applicable Civil Air Regulations, with the special inspections and maintenance instructions established in accordance with paragraph (b) (7) of section 3 of this regulation, and with any special inspections and maintenance instructions prescribed by the Administrator.

(8) No aircraft shall be operated under authority of a Class II provisional airworthiness certificate if the manufacturer or the Administrator determines that a change in design, construction, or operation is necessary to insure safe operation until such a change is made and approved by the Administrator. (See also § 1.24 of Part 1 of the Civil Air Regulations.)

(9) The Class II provisional airworthiness certificate shall be prominently displayed in the aircraft at all times.

(b) *Operations by air carriers.* In addition to the provisions of paragraph (a) of this section, air carrier operations shall comply with the provisions prescribed in subparagraphs (1) through (5) of this paragraph.

(1) In addition to crew members, only those persons shall be carried who are listed in § 40.356 (c) of Part 40 of the Civil Air Regulations.

(2) The air carrier shall maintain current records for each flight crew member. These records shall contain such information as is necessary to show that the crew member is properly trained and qualified to perform his assigned duties.

(3) The appropriate instructor, supervisor, or check airman shall certify as to the proficiency of each flight crew member and such certification shall become a part of the flight crew member's record.

(4) A log of all flights conducted under this regulation, and accurate and complete records of the inspections made and maintenance accomplished, shall be kept by the air carrier and made available to the manufacturer and the Administrator.

(5) The Administrator may credit toward the proving test requirements of the applicable air carrier regulations such operations conducted pursuant to this regulation as he finds have met the applicable proving test requirements if he also finds that there is no significant difference between the provisionally certificated aircraft and the aircraft for which application is made for operation pursuant to an air carrier operating certificate.

[F. R. Doc. 58-10767; Filed, Dec. 31, 1958; 8:46 a. m.]

[14 CFR Part 10]

[Draft Release No. 58-22]

CERTIFICATION AND APPROVAL OF IMPORT AIRCRAFT AND RELATED PRODUCTS**Notice of Proposed Rule Making**

Pursuant to authority delegated by the Civil Aeronautics Board to the Bureau of Safety, notice is hereby given that the Bureau will propose amendments to Part 10 of the Civil Air Regulations as hereinafter set forth.

Interested persons may participate in the making of the proposed rules by submitting such written data, views, or arguments as they may desire. Communications should be submitted in duplicate to the Civil Aeronautics Board, attention Bureau of Safety, Washington 25, D. C. In order to insure their consideration before taking further action on the proposed rules, communications must be received by March 1, 1959. Copies of such communications will be available after March 3, 1959, for examination by interested persons at the Docket Section of the Board, Room 5412, Department of Commerce Building, Washington, D. C., or at the Offices of the Federal Aviation Agency, as appropriate.

Part 10 of the Civil Air Regulations was adopted by the Board on March 28, 1955. This part sets forth administrative requirements for the issuance of type and airworthiness certificates for aircraft, and of type certificates and approvals for related products, and of approvals for materials, parts, and appliances which are manufactured in a foreign country and intended for import into the United States.

The provisions of Part 10 are intended for use primarily by manufacturers in countries with which the United States has concluded bilateral agreements concerning reciprocal recognition of airworthiness certification for the purpose of export and import. However, since the promulgation of Part 10, certain administrative difficulties have arisen which have posed problems to the administrative bodies both in the United States and in other foreign countries.

The language of this part is such as to permit approval of materials, parts, and appliances manufactured in countries with which the United States has no bilateral agreement concerning export and import. Experience indicates that the Administrator has encountered difficulties in implementing this provision in the absence of a bilateral agreement. Furthermore, there has been extremely limited use made of this provision. In view of these circumstances, it is being proposed to limit all approvals of materials, parts, and appliances to those manufacturers in countries with which the United States has a bilateral agreement.

The amendments proposed herein are intended to clarify the existing provisions with the objective of eliminating administrative difficulties.

The currently effective provisions of Part 10 do not contain a specific reference to the approval of products, other

than aircraft. It is, therefore, proposed to revise § 10.20 to include provisions for the approval of such products on a basis consistent with that applicable for the issuance of airworthiness certificates for aircraft.

In addition, it is being proposed to clarify the provisions of § 10.21 which are applicable to the approval of materials, parts, and appliances. The proposed revision sets forth all the conditions under which such items can be approved under Part 10. Under the proposed rules, approvals of materials, parts, and appliances would be issued only when the item is manufactured by the country which manufactures the product certificated under Part 10 on which the item is to be installed, when the item is manufactured in accordance with a Technical Standard Order published by the Administrator, or, when the item is manufactured by a subsidiary or licensee of a prime manufacturer of the United States.

There is also proposed a revision to § 10.30 to require that products, materials, parts, and appliances approved under Part 10 be labeled as to the country of manufacture, since such information is considered more meaningful than the label of "import" as currently required.

Finally, there is proposed a clarification of footnote 1 to indicate that the applicable provisions of Part 1 of the Civil Air Regulations must also be complied with and to indicate the applicability of related Special Civil Air Regulations.

In view of the foregoing, notice is hereby given that it is proposed to recommend that Part 10 of the Civil Air Regulations be amended:

1. By amending § 10.0 to read as follows:

§ 10.0 Applicability of this part.

This part establishes administrative requirements for the issuance of type and airworthiness certificates for aircraft, of type certificates and approvals for related products, and of approvals for materials, parts, and appliances, when such product, material, part, or appliance is manufactured in a foreign country with which the United States has concluded an agreement concerning the acceptance thereof for the purpose of export and import.

2. By amending footnote 1 to read as follows:

¹Separate airworthiness requirements are effective for various categories of aircraft, for aircraft engines, and for propellers in different parts of the Civil Air Regulations and in various related Special Civil Air Regulations. When any one part is applicable, all provisions therein including the administrative provisions are applicable. In addition, all of the provisions of Part 1 of this subchapter are intended to be applicable, except as they may be inconsistent with corresponding provisions of this part.

3. By amending § 10.20 to read as follows:

§ 10.20 Airworthiness certificates and product approvals.

An applicant for the original issuance of an airworthiness certificate for an

aircraft or for the original issuance of an approval for a related product, type certificated in accordance with this part, shall be issued such certificate or approval, as appropriate, when the government of the country where the product or aircraft was manufactured certifies, or the Administrator finds, that the product or aircraft conforms to the type design and is in a condition for safe operation.

4. By amending § 10.21 to read as follows:

§ 10.21 Approval of materials, parts, and appliances.

Approval of materials, parts, and appliances may be obtained under this part only in accordance with the provisions of paragraph (a) or (b) of this section.

(a) Materials, parts, and appliances intended for installation on a product type certificated in accordance with this part, shall be issued an approval when the government of the country where the product concerned is manufactured certifies, or the Administrator finds, that such material, part, or appliance conforms to the type design and is in a condition for safe operation.

(b) Materials, parts, and appliances intended for installation on any type certificated product shall be issued an approval when the conditions of subparagraph (1), or (2), or (3) of this paragraph are met.

(1) When the government of the country where the material, part, or appliance is manufactured certifies, or the Administrator finds, that the material, part, or appliance conforms to all of the requirements of the applicable Technical Standard Order issued by the Administrator.

(2) When the Administrator finds that the material, part, or appliance is manufactured by a subsidiary of a United States prime manufacturer in accordance with all of the applicable provisions of Part 1 of this subchapter.

(3) When the Administrator finds that the material, part, or appliance is manufactured by a licensee of a United States prime manufacturer, that the licensor has furnished to the licensee all of the relevant currently approved design data, and that any other conditions prescribed by the Administrator are met, and provided that the government of the country where the product is manufactured certifies, or the Administrator finds, that the material, part, or appliance complies with the applicable airworthiness requirements of the Civil Air Regulations and that it has been manufactured under a quality control system which insures that each article produced conforms to the approved design and is in a condition for safe operation.

5. By amending § 10.30 by deleting the words "shall be designated as 'import' and clearly labeled as such" and inserting in lieu thereof the words "shall be labeled as to the country of manufacture."

These amendments are proposed under the authority of Title VI of the Civil

Aeronautics Act of 1938, as amended, and may be changed in the light of comments received in response to this notice of proposed rule making.

(Sec. 205, 52 Stat. 984; 49 U. S. C. 425. Interpret or apply secs. 601-610, 1102, 52 Stat. 1007-1012, 1026, as amended; 49 U. S. C. 551-560, 672)

Dated at Washington, D. C., December 23, 1958.

By the Bureau of Safety.

OSCAR BAKKE,
Director.

[F. R. Doc. 58-10766; Filed, Dec. 31, 1958;
8:45 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

Foreign Assets Control

IMPORTATION OF CERTAIN MERCHANDISE

List of Available Certifications

Attention is directed to the provisions of § 500.536 (c) and (d) of the Foreign Assets Control Regulations, pursuant to which certain merchandise affected by the import prohibitions contained in § 500.204 of the regulations may be imported if the origin thereof is appropriately certified by the country of exportation.

Notice is hereby given that appropriate certificates of origin issued by the governments hereinafter listed under procedures agreed upon between the specified certifying agencies of those governments and the Foreign Assets Control are available with respect to the importation into the United States, directly or on a through bill of lading, from the respective countries of the commodities listed below.

The dates, included in earlier listings, on which the specified types of merchandise first became certifiable are now omitted. It has therefore been feasible in the Hong Kong listing to combine under over-all headings a number of items that were previously listed separately—e. g., the new item of cotton manufactures includes the previously listed items of cotton dolls, piece goods, pin-cushions, wearing apparel and yarn.

From time to time changes may be made in the list of certifiable commodities. Notices with respect to any such changes will be published in the FEDERAL REGISTER.

From Australia, Commonwealth of (Certificates issued by Comptroller General of Customs):

Ginger root, candied or otherwise prepared or preserved.
Menthol, synthetic.

From France (Certificates issued by the Ministère de l'Industrie et du Commerce of the Republic of France):

Menthol, synthetic.
Silk piece goods, tussah.

From Hong Kong ("Comprehensive" Certificates issued by the Hong Kong Department of Commerce and Industry):

Abacuses.
Apricots, preserved.
Arrowhead.
Bambooware, machine-made from Formosan bamboo.

Bean curd.
Bean fertilizer, dried.
Bean thread.
Beans, salted.
Brass trays.
Brocade articles.
Brocades, other than cotton.
Bronze imitation antiques.
Cabbage, white, dried.
Camphor tablets.
Cane webbing.
Ceramics.
Confectionary.
Cotton manufactures.
Cotton waste.
Cucumber, bitter.
Cucumber, white.
Ducks, preserved.
Embroidered articles.
Figurines, jade, quartz, and hardstone.
Fish gravy.
Fish maw, dried.
Fish, spotted.
Footwear, Chinese types.
Ginger, preserved (made from Hong Kong ginger).
Ginger, preserved (made from Japanese ginger).
Graphite.
Greeting cards and book markers.
Hand-painted wallpaper.
Hardwood manufactures.
Hoi sin sauce.
Ink, liquid (Chinese-type).
Ivory manufactures.
Jade, green stones, if cut, polished, or designed.
Jade jewelry.
Joss and novelty (Chinese-type) candles.
Joss paper.
Junks.
Lacquer ware.
Lanterns, silk and rayon.
Lemon sauce.
Lemons, red and yellow.
Lotus root.
Lotus seeds.
Lychees.
Marine products, fresh frozen.
Mollusks, dried.
Mullet, canned.
Mushrooms.
Musical instruments, Chinese-type.
Mustard, preserved.
Needlework, tapestries.
Novelties, paper.
Novelties, pewter and tinware.
Novelties, textile.
Olives, black and white.
Oysters and oyster sauce.
Peas, garden.
Pictures, cork.
Pictures, iron.
Plum sauce.
Plums, preserved.
Porcelain, Japanese, decorated in Hong Kong.
Punk, firecracker.
Radishes.
Rice powder.
Rice sticks.
Rugs, cotton rag.
Rugs, woolen (knotted and hooked).
Salt fish in oil.
Sampans.

Sandalwood manufactures.
Seagrass mats and squares (made from Formosan seagrass).
Seagrass articles (made from Formosan seagrass), other than mats and squares.
Semi-precious stones and semi-precious stones jewelry.
Shark fins.
Shrimp noodles.
Shrimp sauce and paste.
Shrimp slices, dried.
Silk manufactures.
Soybean sauce.
Straw manufactures.
Sugar, slab and white rock.
Table lamps.
Taro.
Tea, Formosan.
Theatrical costumes, Chinese-type.
Tungsten ore and concentrates.
Turnips, preserved.
Vinegar, white, red and black.
Wampel.
Wastepaper baskets, folding, silk and rayon.
Water chestnuts.
Water-chestnut powder.
Wheat starch.
Wine, Chinese-type, medicinal.
Wine, Chinese-type, non-medicinal.
Wooden novelties.
Yams.

From India (Certificates issued by the Ministry of Commerce and Industry of the Government of India):

Silk piece goods, tussah.

From Italy (Certificates issued by the Department of Commerce of the Government of Italy):

Silk piece goods, tussah.

From Japan (Certificates issued by the Japanese Ministry of International Trade and Industry):

Abalone, canned or dried.
Bamboo, split.
Bamboo, sprouts, canned.
Bamboo, sprouts, dried, shredded.
Bamboo, sprouts, raw.
Braids, straw.
Cuttlefish, dried.
Fish (sea bream), canned, prepared.
Floor coverings, grass and straw.
Floor coverings, seagrass mats and squares.
Ginko nuts, in the shells, canned or otherwise prepared.
Ginger.
Hair, human, raw.
Hair, human, nets and netting.
Hats, unfinished, manila hemp (Abaca).
Lotus root, canned.
Lotus root, dried.
Menthol.
Mushrooms, canned, baked.
Mushrooms, dried.
Mushrooms, prepared.
Oyster juice.
Quail, frozen.
Red beans.
Red bean flour.
Scallions, pickled.
Shark fins.
Silk piece goods, tussah.
Silk waste derived from the production of tussah silk piece goods.
Soybean sauce.
Soya bean.
Soya bean paste.
Soya bean oil.
Soya bean meal.
Walnuts.

From Korea, Republic of (Certificates issued by the Ministry of Commerce and Industry of the Republic of Korea):

Gallnuts.
Hair, human, raw.
Hog bristles.

From The Netherlands (Certificates issued by the Department of Agriculture, Fisheries, and Food of the Government of The Netherlands):

Eggs, dried; whole, albumen, and yolk.
Rhubarb, Chinese type.

From Switzerland (Certificates issued by the Federal Department of Public Economics of the Government of Switzerland):

Silk piece goods, tussah.

From Taiwan (Formosa) (Certificates issued by the Ministry of Economic Affairs of the Republic of China):

Bakou and hemp hoods.
Bamboo shoots, canned.
Bamboo, split.
Bean thread (Fen-su).
Cabbage, preserved.
Citronella grass squares.
Cucumber, sweet, canned.
Duck eggs, salted or preserved.
Firecrackers.
Ginger root, candied or otherwise preserved.
Hair, human, nets and netting.
Handicraft items, including:

Ceramics, including vases, bowls, dishes and animal figures.
Dolls.

Embroideries and drawn work, including ladies' garments, accessories, shawls, piece goods and cushion covers.

Furniture, chests, house furnishings, kitchen utensils, bowls, baskets and gift items made in whole or in part of bamboo, rattan or wood.

Greeting cards and miscellaneous paper decorative objects.

Lanterns.

Matting and floor coverings.

Miscellaneous items made in whole or in part of shell, coral, fishbone, metal, buffalo horn and ramie.

Musical instruments.

Paper and silk scrolls and wall paper.

Hog bristles, black, not to exceed four inches in length.

Joss paper.

Lotus root, fresh, sugared, or powdered.

Lunggan, dried, pulp, canned, or fresh.

Lychees (Litchis), canned.

Menthol.

Millet wine (Kaoliang).

Millet wine (Wu-Ka-Be).

Nephrite (Jade) articles.

Olives, preserved.

Plums, preserved.

Prunes, preserved.

Radish, dried.

Rice wine (Shaohsing).

Rose wine (Mai Kwai Lu).

Seagrass squares.

Silver articles.

Soybean sauce.

Soybean paste.

Water chestnuts.

Wong Lo Kat Herb ingredients.

Wong Lo Kat Herb mixtures.

Yueh Tao grass squares.

From Viet-Nam (Certificates issued by the Ministry of National Economy of the Government of Viet-Nam):

Cassia.

Floor coverings, grass, including seagrass mats and squares.

Handicraft products.

[SEAL]

ELTING ARNOLD,
Acting Director,
Foreign Assets Control.

DECEMBER 31, 1959.

[F. R. Doc. 58-10805; Filed, Dec. 31, 1958; 9:08 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Utah (I-14)]

UTAH

Notice of Proposed Withdrawal and Reservation of Lands

DECEMBER 19, 1958.

The Bureau of Reclamation has filed an application, Serial No. Utah 031037, for the withdrawal of the lands described below, from all forms of appropriation. The applicant desires the land for reclamation purposes in connection with the location of the Hurricane Tunnel of the proposed Dixie Project.

For a period of 30 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, Post Office Box 777, Salt Lake City, Utah.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

SALT LAKE MERIDIAN, UTAH

T. 41 S., R. 13 W.,

Sec. 25, S $\frac{1}{2}$ SE $\frac{1}{4}$.

The above area aggregates 80 acres.

VAL B. RICHMAN,
State Supervisor.

[F. R. Doc. 58-10770; Filed, Dec. 31, 1958; 8:45 a. m.]

Bureau of Mines

[Regional Adm. Order 77-C]

VARIOUS OFFICIALS OF REGION V

Delegation of Authority to Execute Contracts

SECTION 1. *General.* Pursuant to the authority redelegated to the Regional Director, Region V, by the Director, Bureau of Mines (subparagraphs 205.2.4A through 205.2.4A (4) of the Bureau of Mines Manual), and the authority conveyed in Public Law 800, 85th Cong., 2d sess. (August 28, 1958), 72 Stat. 966, which amends the open market limitation on contracts and purchase orders, without formal competition, to \$2,500, the following officials of Region V may execute contracts and purchase orders in conformity with applicable regulations, statutory requirements, and the limitations appearing in section 2 of this order:

(a) Assistant Regional Director.

(b) Chief, Division of Administration, Region V.

(c) Chief, Branch of Property Management, Region V.

(d) Superintendents of stations; Administrative Officers; Personal and Administrative Assistants; Purchasing Agents and certain other employees designated by name at Pittsburgh, Pennsylvania; Morgantown, West Virginia; College Park, Maryland; Norris, Tennessee; Tuscaloosa, Alabama; Gorgas, Alabama; and Minneapolis, Minnesota.

(e) Specifically named individuals recommended by an official listed in (a), (b), (c), and (d) above, and approved by the Regional Director or the Assistant Regional Director, to serve as contracting officer for a specific contract in any amount.

SEC. 2. *Specific redelegations of authority.* The following redelegations of authority are hereby made by the Regional Director to the positions named immediately following each redelegation:

(a) To approve (after review and signature by a purchasing agent at regional headquarters, or other authorized contracting officer named in conformance with subsection 1 (e) of this order) any advertised or negotiated contracts in the range \$5,000-\$10,000: Assistant Regional Director; Chief, Branch of Property Management, Region V.

(b) To review, approve, and sign all purchase orders on General Services Administration or its contractors in the range \$2,500-\$10,000: Purchasing Agents at regional headquarters.

(c) To review, approve, and sign all advertised or negotiated contracts in the range \$2,500-\$5,000: Purchasing Agents at regional headquarters.

(d) To approve and sign purchase orders on the open market and on General Services Administration or its contractors in amounts not to exceed \$2,500: All officials named in subsections 1 (a) through 1 (e) of this order.

(e) To enter into any modifications and amendments of the contract which are legally permissible, issue change orders and extra work orders, up to \$2,500 each, pursuant to the contract, and terminate the contract if such action is legally authorized: Chief, Division of Administration, Region V; Chief, Branch of Property Management, Region V; Purchasing Agents at regional headquarters; Contracting officers named in conformance with subsection 1 (e) of this order.

(f) To lease space in buildings (consistent with paragraph 2.8.30 of Volume IV, Bureau of Mines Manual), within the geographic area of Region V: Chief, Division of Administration, Region V; Chief, Branch of Property Management, Region V.

This order rescinds and supersedes Regional Administrative Order 77-B (22 F. R. 2138).

Dated: December 23, 1958.

EARLE P. SHOUB,
Acting Regional Director,
Region V.

[F. R. Doc. 58-10771; Filed, Dec. 31, 1958; 8:45 a. m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-70]

GENERAL ELECTRIC COMPANY

Notice of Issuance of Utilization Facility License

Please take notice that no request for a formal hearing having been filed following the filing of notice of the proposed action with the Federal Register Division on August 26, 1958, the Atomic Energy Commission has issued Facility License No. R-48 authorizing General Electric Company to conduct critical experiments at power levels not in excess of 50 kilowatts (thermal) in the General Electric Test Reactor, located at the Company's Vallecitos Atomic Laboratory near Pleasanton, California. Notice of the proposed action was published in the FEDERAL REGISTER on August 27, 1958, 23 F. R. 6637.

Dated at Germantown, Md., this 22d day of December 1958.

For the Atomic Energy Commission.

H. L. PRICE,
Director, Division of
Licensing and Regulation.

[F. R. Doc. 58-10768; Filed, Dec. 31, 1958;
8:45 a. m.]

DEPARTMENT OF COMMERCE

Bureau of the Census

SURVEY OF DISTRIBUTORS STOCKS OF CANNED FOODS

Notice of Determination

In conformity with the Act of Congress approved August 31, 1954, 13 U. S. C. 181, 224, and 225, and due Notice of Consideration having been published (23 F. R. 9039, November 20, 1958) pursuant to said act, I have determined that year-end data on stocks of 32 canned and bottled vegetables, fruits, juices, and fish are needed to aid the efficient performance of essential governmental functions, and have significant application to the needs of the public and industry and are not publicly available from non-governmental or other sources, including governmental sources.

Wholesale inventories constitute an important factor in evaluating supplies of canned food. Adequate supply statistics are important to wholesalers in establishing buying, inventory, and pricing policies; to canners and growers in planning acreage and in entering into contracts; to the Department of Agriculture in administering laws passed by Congress; and to the public in insuring a balanced and adequate food supply.

This survey will involve the collection of information from a sample of wholesalers and warehouses of retail multiunit organizations. All respondents will be required to submit information covering their December 31, 1958 inventories of 32 canned and bottled vegetables, fruits, juices, and fish. Report forms will be furnished to firms covered by the survey. Additional copies of the forms

are available on request to the Director of the Census, Washington 25, D. C.

Reports are due 10 days after receipt of the report form.

I have therefore directed that this annual survey be conducted for the purpose of collecting these data.

ROBERT W. BURGESS,
Director,
Bureau of the Census.

Dated: December 30, 1958.

LEWIS L. STRAUSS,
Secretary of Commerce.

[F. R. Doc. 58-10806; Filed, Dec. 31, 1958;
8:48 a. m.]

SURVEY OF INVENTORIES, SALES, ACCOUNTS RECEIVABLE, CAPITAL EXPENDITURES AND FORM OF OWNERSHIP OF RETAIL ESTABLISHMENTS

Notice of Determination

In conformity with the Act of Congress approved August 31, 1954, 13 U. S. C. 181, 224, and 225, and due Notice of Consideration having been published (23 F. R. 9039, November 20, 1958) pursuant to said act, I have determined that certain annual data for retail trade establishments are needed to provide a sound statistical basis for the formation of policy by various government agencies, and are also applicable to a variety of public and business needs. These data are not publicly available from non-governmental or other sources, including governmental sources.

Retail trade, as the outlet for the production of industry, mining, and agriculture, is of strategic importance in the economy of the nation. Information such as the amount of merchandise inventories on hand in all retail stores and in warehouses of large retail organizations, sales-inventory ratios by kinds of retail stores, the amount of charge-account and installment-plan receivables due retail stores at the end of the year, and capital expenditures of retail businesses are basic to analyses of the economy. Data on the amount of retail inventories and capital expenditures, are also included in the measurement of the gross national product.

Business and industry also are interested in inventory figures as indicators of the outlook for business activity and as tools for the promotion of business efficiency and stability. Individual retailers can also make use of the sales-inventory ratios to appraise, in a general way, their own relative operational positions. Information on legal forms of ownership will allow the measurement of retail trade as distributed among the various ownership types.

The Annual survey will involve collection of information from (1) large multiunit organizations (11 or more retail stores in 1954) regardless of their location, (2) large retail establishments (1954 sales volume in excess of five million dollars) regardless of location, (3) establishments located in Census sample areas whose sales meet certain minimum

sales criteria, and (4) individual establishments, regardless of size, located in a sample of small land segments which are within the Census sample area. All respondents will be required to submit information covering the year 1958. Report forms will be furnished to firms covered by the survey. Additional copies of the forms are available on request to the Director of the Census, Washington 25, D. C.

Reports are due 15 days after receipt of the report form.

I have therefore directed that an annual survey be conducted for the purpose of collecting these data.

ROBERT W. BURGESS,
Director,
Bureau of the Census.

Dated: December 30, 1958.

LEWIS L. STRAUSS,
Secretary of Commerce.

[F. R. Doc. 58-10807; Filed, Dec. 31, 1958;
8:48 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 11925, 11926; FCC 58M-1478]

NORTHWEST BROADCASTERS, INC., AND HALDANE JAMES DUFF

Order Continuing Hearing Conference

In re applications of Northwest Broadcasters, Inc., Bellevue, Washington; Docket No. 11925, File No. BP-10521; Rev. Haldane James Duff, Seattle, Washington; Docket No. 11926, File No. BP-10638; for construction permits.

By agreement of the parties: *It is ordered*, This 19th day of December 1958, that the further prehearing conference in the above-entitled proceeding, presently scheduled for December 30, 1958, is hereby continued to 2:00 p. m., January 21, 1959, in the offices of the Commission, Washington, D. C.

Released: December 22, 1958.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-10773; Filed, Dec. 31, 1958;
8:46 a. m.]

[Docket No. 12237, etc.; FCC 58M-1500]

OKLAHOMA TELEVISION CORP. ET AL.

Order Continuing Hearing

In re applications of Oklahoma Television Corporation, New Orleans, Louisiana; Docket No. 12237, File No. BPCT-2330; William G. Aly, Richard J. Carrere, Frank B. Ellis, George C. Foltz, George E. Martin, Joseph A. Paretti, Chalin O. Perez, John E. Pottharst, Jr. and William H. Saunders, Jr., d/b as Coastal Television Company, New Orleans, Louisiana; Docket No. 12289, File No. BPCT-2430; for construction permits for New Television Broadcast Stations (Channel 12).

Supreme Broadcasting Company, Inc., New Orleans, Louisiana; Docket No. 12238, File No. BMPCT-4679; for modification of construction permit (From Channel 20 to Channel 12).

Pursuant to agreements reached by all parties as shown by the transcript record of the further hearing held on December 19, 1958,

It is ordered, This 23d day of December 1958, that the further hearing in this proceeding is continued to 10:00 a. m. on Monday, January 12, 1959.

Released: December 24, 1958.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-10774; Filed, Dec. 31, 1958;
8:46 a. m.]

[Docket No. 12646; FCC 58M-1476]

SUPREME BROADCASTING CO., INC.

Order Continuing Hearing

In re application of Supreme Broadcasting Company, Inc., (KK2XFW) Channel 12, New Orleans, Louisiana; Docket No. 12646, File No. BMFEX-49; for modification of construction permit (BPEX-144) for an Experimental Television Broadcast Station.

Upon oral request of counsel for Capitol Broadcasting Company, and with the concurrence of all other counsel: *It is ordered*, This 19th day of December 1958, that the hearing in the above-entitled matter presently scheduled to commence December 22, 1958, is continued without date pending action by Supreme Broadcasting Company on a proposal of the Federal Communications Commission of recent date.

Released: December 22, 1958.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-10775; Filed, Dec. 31, 1958;
8:46 a. m.]

[Docket Nos. 12654, 12655; FCC 58M-1471]

OLD BELT BROADCASTING CORP. (WJWS) AND JOHN LAURINO

Order Following Prehearing Conference (Continuing Hearing)

In re applications of Old Belt Broadcasting Corporation (WJWS), South Hill, Virginia; Docket No. 12654, File No. BP-11412; John Laurino, Scotland Neck, North Carolina; Docket No. 12655, File No. BP-12109; for construction permits.

A prehearing conference in the above-entitled matter having been held on December 19, 1958, and it appearing from the record made therein that certain agreements were made which properly should be formalized in an order: *It is ordered*, This 19th day of December 1958, that:

(1) The direct cases of the applicants shall be presented by written, sworn exhibits;

(2) Engineering exhibits shall be exchanged among counsel for all parties on January 15, 1959;

(3) Non-technical exhibits shall be exchanged among counsel for all parties on January 29, 1959;

(4) Copies of all proposed exhibits shall be supplied by counsel for parties to the Hearing Examiner by January 29, 1959;

(5) Counsel shall notify each other on or before February 10, 1959 as to those witnesses whom they desire to be available for cross-examination at the hearing on February 17, 1959;

(6) The applicants shall follow the provisions of the Commission's Hearing Manual for Comparative Broadcast Proceedings insofar as possible, having regard to the issues in the instant proceeding;

(7) In the event any written material is excluded at the hearing, then the party offering such matter shall be afforded the opportunity of restoration thereof by competent oral testimony; and

It is further ordered, That the hearing in this matter heretofore scheduled to commence on January 9, 1959, is continued to Tuesday, February 17, 1959, at 10:00 o'clock a. m., in the offices of the Commission, Washington, D. C.

Released: December 22, 1958.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-10776; Filed, Dec. 31, 1958;
8:46 a. m.]

[Docket No. 12690; FCC 58M-1487]

LOS BANOS BROADCASTING CO.

Order Scheduling Prehearing Conference

In re application of James H. Rose, tr/as Los Banos Broadcasting Company, Los Banos, California; Docket No. 12690, File No. BP-11874; for construction permit.

It is ordered, This 22d day of December 1958, that a prehearing conference, in accordance with § 1.111 of the rules, will be held in the above-entitled matter at 10:00 o'clock a. m. on Monday, January 12, 1959, in the offices of the Commission, Washington, D. C.

Released: December 23, 1958.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-10777; Filed, Dec. 31, 1958;
8:46 a. m.]

[Docket No. 12704; FCC 58M-1474]

HARRY WILLIAMS

Order Scheduling Hearing

In the matter of Harry Williams, 60 Home Street, Malverne, New York, Docket No. 12704; order to show cause why there should not be revoked the

license for radio station WE-2788 aboard the vessel "Calamity Jane."

It is ordered, This 19th day of December 1958, that Isadore A. Honig will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on March 2, 1959, in Washington, D. C.

Released: December 22, 1958.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-10778; Filed, Dec. 31, 1958;
8:46 a. m.]

[Docket No. 12705; FCC 58M-1475]

LEVIN F. HARRISON, III

Order Scheduling Hearing

In the matter of Levin F. Harrison, III, Tilghman, Maryland, Docket No. 12705; order to show cause why there should not be revoked the license for radio station WF-2278 aboard the vessel "Levronson".

It is ordered, This 19th day of December 1958, that Millard F. French will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on March 2, 1959, in Washington, D. C.

Released: December 22, 1958.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-10779; Filed, Dec. 31, 1958;
8:47 a. m.]

[Docket No. 12706; FCC 58M-1481]

JACK L. GOODSITT (WTOJ)

Order Scheduling Hearing

In re application of Jack L. Goodsitt (WTOJ), Tomah, Wisconsin; Docket No. 12706, File No. BP-11715; for construction permit.

It is ordered, This 18th day of December 1958, that Herbert Sharfman will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on January 21, 1959, in Washington, D. C.

Released: December 23, 1958.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-10780; Filed, Dec. 31, 1958;
8:47 a. m.]

[Docket No. 12707; FCC 58M-1482]

BARRY O'LEARY, INC.

Order Scheduling Hearing

In the matter of Barry O'Leary, Inc., 215 North 16th Street, Billings, Montana, Docket No. 12707; order to show cause

why there should not be revoked the license of special industrial radio station KOH-979.

It is ordered, This 22d day of December 1958, that Elizabeth C. Smith will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on February 4, 1959, in Washington, D. C.

Released: December 23, 1958.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-10781; Filed, Dec. 31, 1958;
8:47 a. m.]

[Docket No. 12709]

C. A. JOHNSON

Order to Show Cause Why License for Radio Station Should Not Be Revoked

In the matter of C. A. Johnson, 610 North 8th Street, Miles City, Montana, Docket No. 12709; order to show cause why there should not be revoked the license for radio station NC-94330 in the aviation services.

There being under consideration the matter of certain alleged violations of the Commission's rules in connection with the operation of the above-captioned station;

It appearing, that, pursuant to § 1.61 of the Commission's rules, written notice of violation of the Commission's rules was served upon the above-named licensee as follows:

Notice mailed May 15, 1958, alleging that on May 7, 1958, the above-named radio station was observed in violation of § 9.118 (b) of the Commission's rules by the failure to have the radio station license document posted or with the aircraft registration certificate.

It further appearing, that, the above-named licensee having failed to make satisfactory reply thereto, the Commission, by letter dated June 16, 1958, and sent by Certified Mail, Return Receipt Requested (No. 5446998), brought this matter to the attention of the licensee and requested that such licensee respond to the Commission's letter within fifteen (15) days from the date of its receipt stating the measures which had been taken, or were being taken, in order to bring the operation of the radio station into compliance with the Commission's rules, and warning the licensee that his failure to respond to such letter might result in the institution of proceedings for the revocation of the radio station license; and

It further appearing, that receipt of the Commission's letter was acknowledged by the signature of the licensee, C. A. Johnson, on June 19, 1958, to a Post Office Department return receipt; and

It further appearing, that, although more than fifteen (15) days have elapsed

since the licensee's receipt of the Commission's letter, no response thereto has been received; and

It further appearing, that, in view of the foregoing, the licensee has willfully violated § 1.61 of the Commission's rules;

It is ordered, This 19th day of December 1958, pursuant to section 312 (a) (4) and (c) of the Communications Act of 1934, as amended, and section 0.291 (b) (8) of the Commission's Statement of Delegations of Authority, that the said licensee show cause why the license for the above-captioned Radio Station should not be revoked and appear and give evidence in respect thereto at a hearing¹ to be held at a time and place to be specified by subsequent order; and

It is further ordered, That the Secretary send a copy of this order by Certified Mail, Return Receipt Requested to the said licensee.

Released: December 22, 1958.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-10782; Filed, Dec. 31, 1958;
8:47 a. m.]

[Docket No. 12709; FCC 58M-1499]

C. A. JOHNSON

Order Scheduling Hearing

In the matter of C. A. Johnson, 610 North 8th Street, Miles City, Montana, Docket No. 12709; order to show cause why there should not be revoked the license for radio station NC-94330 in the aviation services.

It is ordered, This 23d day of December 1958, that Isadore A. Honig will preside at the hearing in the above-entitled proceeding which is hereby scheduled to

¹Section 1.62 of the Commission's rules provides that a licensee, in order to avail himself of the opportunity to be heard, shall, in person or by his attorney, file with the Commission, within thirty (30) days of the receipt of the order to show cause, a written statement stating that he will appear at the hearing and present evidence on the matter specified in the order. If the licensee fails to file such an appearance within the time specified, the right to a hearing shall be deemed to have been waived. Where a hearing is waived, a written statement in mitigation or justification may be submitted within thirty (30) days of the receipt of the order to show cause. If such statement contains, with particularity, factual allegations denying or justifying the facts upon which the show cause order is based, the Hearing Examiner may call upon the submitting party to furnish additional information, and shall request all opposing parties to file an answer to the written statement and/or additional information. The record will then be closed and an initial decision issued on the basis of such procedure. Where a hearing is waived and no written statement has been filed within the thirty (30) days of the receipt of the order to show cause, the allegations of fact contained in the order to show cause will be deemed as correct and the sanctions specified in the order to show cause will be invoked.

commence on March 6, 1959, in Washington, D. C.

Released: December 24, 1958.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-10783; Filed, Dec. 31, 1958;
8:47 a. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-16750, G-16932]

PHILLIPS PETROLEUM CO. AND NATURAL GAS PIPELINE COMPANY OF AMERICA

Notice of Applications and Date of Hearing

DECEMBER 23, 1958.

In the matters of Phillips Petroleum Company, Docket No. G-16750; Natural Gas Pipeline Company of America, Docket No. G-16932.

On October 21, 1958, Phillips Petroleum (Phillips), a Delaware corporation with a principal place of business in Bartlesville, Oklahoma, filed in Docket No. G-16750 a certificate application, pursuant to section 7 of the Natural Gas Act authorizing the sale of gas in interstate commerce to Natural Gas Pipeline Company of America (Natural), to be made pursuant to a gas sales contract dated October 1, 1958, executed by and between Natural and Phillips, et al., subject to the jurisdiction of the Commission all as more fully represented in the application on file with the Commission, and open to public inspection.

Phillips, as Operator, lists in its application the co-owners of the York No. 1 Unit and their respective percentum of interest therein, all of whom, except The Carter Oil Company, are signatory seller parties with Phillips to the subject gas sales contract.¹

Phillips' facilities consist of customary lease equipment.

Proposed deliveries will be made at wellhead and will commence upon receipt of authorizations and completion of facilities.

Natural, with a principal place of business in Chicago, Illinois, filed on November 10, 1958 in Docket No. G-16932 an application, pursuant to section 7 of the Natural Gas Act, for a certificate of public convenience and necessity authorizing the construction and operation of: (1) A tap on its main transmission line in Beaver County, Oklahoma, (2) approximately 3,700 feet of 4-inch lateral supply pipeline to extend from the proposed tap to the York No. 1 Unit well in the Cramerick Field, Beaver County, Oklahoma, and (3) a meter station to be installed at a point on said lateral; in order to purchase and receive natural gas produced by Phillips Petroleum Company (Phil-

¹ Phillips lists Sunray Mid-Continent Oil Company, Kirby Production Company, George Parker, Charles L. McCune and The Carter Oil Company.

lips), Operator, from said well. The estimated initial cost of Natural's facilities is \$20,700, which cost will be financed from funds on hand.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on January 29, 1959 at 9:30 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street, NW., Washington, D. C., concerning the matters involved in and the issues presented by such applications: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before January 1, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 58-10784; Filed, Dec. 31, 1958;
8:47 a. m.]

[Docket No. G-17219]

PUBLIC SERVICE CORPORATION OF TEXAS

Order for Hearing and Suspending Proposed Revised Tariff Sheets

DECEMBER 22, 1958.

Public Service Corporation of Texas (Public Service), on November 14, 1958, tendered for filing First Revised Sheet Nos. 4, 5 and 6 to its FPC Gas Tariff, Original Volume No. 1. Public Service requested January 1, 1959, as the date of effectiveness for the proposed changes.

Under the presently effective tariff sheets, Public Service sells gas to one customer, Canadian Valley Gas Company, which resells to a state hospital and to domestic consumers in Supply, Oklahoma. The portion which is resold to the hospital is sold under Public Service's Institutional Service Rate Schedule H-1. This schedule provides for firm service at a rate of 17 cents per Mcf with no minimum bill or penalty charges. The sales for resale to domestic consumers are governed by Public Service's General Service Rate Schedule G-1. This schedule is generally available for

firm service at a rate of 20 cents per Mcf with no minimum bill or penalty charges. Both schedules provide a pressure base of 14.9 psi.

The proposed revised sheets (1) increase the H-1 rate from 17 cents to 22.5 cents per Mcf and change the character of the service from firm to interruptible, (2) increase the G-1 rate from 20 cents to 30 cents per Mcf, and (3) reduce the pressure base from 14.9 to 14.65 psi.

In support of the proposed changes, Public Service submits capital, income and cost data; and it states that the rate increases are needed to finance improvements and to cover the loss of revenue occasioned by a sale of certain distribution facilities. The data includes actual costs for the year 1957 and estimated costs for the years 1958 and 1959. The estimated increases in cost of purchased gas and other cost increases were not supported; nor was there support for the proposed change in service under Rate Schedule H-1. Additionally, Canadian Valley Gas Company requests a hearing on the application.

The proposed changes in the revised tariff sheets tendered by Public Service have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the rates, charges, classifications, and services contained in Public Service's FPC Gas Tariff, Original Volume No. 1, as proposed to be amended by First Revised Sheets Nos. 4, 5 and 6, and that these proposed revised tariff sheets and the rates contained therein be suspended and the use thereof deferred as hereinafter provided.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing shall be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the rates, charges, classifications and services contained in Public Service's FPC Gas Tariff, Original Volume No. 1, as proposed to be amended by First Revised Sheet Nos. 4, 5 and 6.

(B) Pending the hearing and decision thereon, Public Service's proposed First Revised Sheet Nos. 4, 5 and 6 are hereby suspended and their use deferred until June 1, 1959, and until such further time as they are made effective in the manner prescribed by the Natural Gas Act.

(C) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 58-10785; Filed, Dec. 31, 1958;
8:47 a. m.]

[Docket No. G-15394, etc.]

TRUNKLINE GAS CO. ET AL.

Order Denying Motions and Reconvening Hearing

DECEMBER 23, 1958.

In the matters of Trunkline Gas Company, Docket No. G-15394; Pan American Petroleum Corporation, Docket No. G-15438; Phillips Petroleum Company, Docket No. G-15471; Phillips Petroleum Company, Docket No. G-15472; Union Oil Company of California, Docket No. G-15485; Union Oil Company of California, Docket No. G-15486; Union Oil Company of California, Docket No. G-15487; Michigan Gas Storage Company, Docket No. G-15827; The Superior Oil Company, Docket No. G-16147; Nicklos Oil & Gas Company, Docket No. G-16222; Tidewater Oil Company, Docket No. G-16267; Pan American Petroleum Corporation, Docket No. G-16501; Pan American Petroleum Corporation, Docket No. G-16502; J. S. Michael Company, Docket No. G-16551; J. S. Michael, Docket No. G-16570.

On November 26, 1958, we issued an order in the above docketed consolidated proceedings reconvening the hearing thereon and specifying procedure. Pursuant to said order, the hearing was reconvened on December 8, 1958, and cross examination of the witnesses for the applicants herein was undertaken. Following the completion of such cross examination, the interveners herein were afforded an opportunity to present their cases in support of their petitions to intervene.

On December 16, 1958, upon the completion of the cross examination of the interveners' witnesses, counsel for Trunkline Gas Company (Trunkline), one of the applicants herein, moved: (1) That the intermediate decision procedure be waived in this consolidated proceeding, that the Commission fix specified dates for the filing of briefs and oral argument before it; and (2) that the Commission reconvene the hearing on December 29, 1958, to permit the Staff to present its testimony and evidence. Both motions were reported to the Commission by the Presiding Examiner.

The bases for said motions are (1) that the contracts between Trunkline and the producers herein contain right of cancellation which, in some instances, could be exercised on January 1, 1958; (2) that Trunkline has commitments for steel pipe, to be used if a certificate is issued herein, from several mills, and that said commitments are firm only to January 1, 1959; (3) that Consumers Power Company, Trunkline's proposed customer herein, must obtain the supplies of natural gas proposed to be sold to it in the fall of 1959, or it may not be able to add space-heating customers, and may have to curtail some of its present industrial customers.

Counsel for Consumers Power Company concurred in the motions made by Trunkline.

Staff counsel opposed the motions made by counsel for Trunkline because it is the opinion of the staff that "the issues in this case are * * * so vitally

important and will have such a far-reaching effect on the due and proper administration of the Natural Gas Act, that it is imperative that there be an intermediate decision in this proceeding by the Presiding Examiner." Additionally, staff counsel stated that it would be physically impossible for the staff assigned to these proceedings to prepare its testimony and evidence, and to prepare its briefs at the same time.

As counsel for Trunkline stated in making his motion, the witnesses for the producers herein who have a January 1, 1959, power of cancellation, testified that each of them would be willing to grant a reasonable extension of such power of cancellation. Therefore, it would appear that Consumer's need for additional supplies of natural gas is the gravamen of Trunkline's motions. However, there are very few applications for certificates of public convenience and necessity authorizing the construction and operation of facilities to sell natural gas filed with this Commission which are not based on a pressing need for supplies of natural gas. We have found, in most instances, that in proceedings presenting complex issues, such as this proceeding, it is preferable to have an initial decision by the Presiding Examiner.

It appears that proper administration of the Natural Gas Act requires that the initial determination of the questions presented in these consolidated proceedings be made by the Presiding Examiner.

On December 16, 1958, the Presiding Examiner recessed the hearing until a date to be fixed by further order of the Commission.

The Commission finds:

(1) Good cause has not been shown for waiver and omission of the intermediate decision procedure.

(2) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act, and in the public interest, that the procedure hereinafter prescribed should be followed in these consolidated proceedings so that these matters may be concluded with reasonable dispatch.

The Commission orders:

(A) The motion for waiver and omission of the intermediate decision procedure is denied.

(B) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, the hearing herein will be reconvened on February 2, 1959 at 10:00 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street, NW., Washington 25, D. C.

(C) The procedure at the reconvened hearing shall be as follows: the staff of the Commission shall present such evidence upon the issues presented herein as it deems necessary at the hearing of February 2, 1959, and upon the completion of the receipt of such direct evidence, the Presiding Examiner shall recess the hearing until February 9, 1959, at which session cross-examination of

the staff witnesses shall proceed in a manner to be prescribed by the Presiding Examiner. Following cross-examination of the witnesses for the staff, recesses, if any, taken for the preparation and presentation of rebuttal evidence shall be at the discretion of the Presiding Examiner.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.
[F. R. Doc. 58-10794; Filed, Dec. 31, 1958;
8:49 a. m.]

[Docket No. G-17297]

WESTBROOK OIL CORP.

Order for Hearing and Suspending Proposed Change in Rate

DECEMBER 24, 1958.

Westbrook-Oil Corporation (Westbrook), on November 28, 1958, tendered for filing a proposed change in its presently effective rate schedule for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of Change, undated.
Purchaser: Tennessee Gas Transmission Company.

Rate schedule designation: Supplement No. 3 to Westbrook's FPC Gas Rate Schedule No. 1.

Effective date: January 1, 1959 (effective date is that proposed by Westbrook).

In support of the proposed redetermined rate increase, Westbrook submitted cost data purporting to show that the actual cost of operations during the 60 months period (October 1953 through October 1958) resulted in an actual loss to the company.

The increased rate and charge so proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that Supplement No. 3 to Westbrook's FPC Gas Rate Schedule No. 1 be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 3 to Westbrook's FPC Gas Rate Schedule No. 1.

(B) Pending such hearing and decision thereon, said supplement be and it

is hereby suspended and the use thereof deferred until June 1, 1959, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplement hereby suspended nor the rate schedule sought to be altered thereby shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(D) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 58-10795; Filed, Dec. 31, 1958;
8:49 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 24D-1496]

NEW ENGLAND URANIUM-OIL CORP., INC.

Order Permanently Suspending Exemption Under Regulation A

DECEMBER 24, 1958.

New England Uranium-Oil Corporation, Inc. having filed with the Commission on November 2, 1954, a notification and an offering circular, and amendments thereto, for the purpose of obtaining an exemption from the registration provisions of the Securities Act of 1933 pursuant to section 3 (b) thereof and Regulation A thereunder, with respect to a public offering of 300,000 shares of its 5 cents par value common stock at \$1.00 per share;

The Commission having by order dated December 17, 1956, pursuant to Rule 223 (a) of Regulation A temporarily suspended the aforesaid exemption; and having ordered a hearing to determine whether to vacate the order of temporary suspension or to enter an order permanently suspending the exemption;

Hearings having been held after appropriate notice;

The Commission having this day issued its findings and opinion; on the basis of said findings and opinion.

It is ordered, Pursuant to Rule 223 of Regulation A under the Securities Act of 1933, that the exemption from registration with respect to the above public offering by New England Uranium-Oil Corporation, Inc. of its common stock be, and it hereby is, permanently suspended.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 58-10787; Filed, Dec. 31, 1958;
8:48 a. m.]

[File No. 70-3749]

**ARKANSAS POWER & LIGHT CO. AND
MIDDLE SOUTH UTILITIES, INC.****Notice of Filing of Application-
Declaration**

DECEMBER 23, 1958.

Notice is hereby given that Middle South Utilities, Inc. ("Middle South"), a registered holding company, and its public-utility subsidiary, Arkansas Power & Light Company ("Arkansas"), have filed with this Commission a joint application-declaration pursuant to the Public Utility Holding Company Act of 1935 ("Act") and have designated sections 6 (a), 6 (b), 7, 9 (a), 10 and 12 (f) of the Act and Rules 23, 43 and 50 (a) (2) and (a) (3) promulgated thereunder as applicable to the proposed transactions, which are summarized as follows:

Arkansas proposes to amend its charter to increase its authorized, \$12.50 par value per share, common stock from 5,000,000 shares to 10,000,000 shares, to issue and sell 480,000 of such shares to Middle South and Middle South proposes to acquire such shares for \$6,000,000 in cash. All of Arkansas' presently outstanding shares of common stock (4,498,000 shares) are owned by Middle South.

Middle South proposes to obtain the cash for said purpose through the issue and sale of a promissory note in the principal amount of \$6,000,000 to The First National City Bank of New York. The note will mature two years from the date of the borrowing, will bear interest at the rate of 4 percent per annum, and will be prepayable at any time without premium.

The proceeds from the sale of the common stock by Arkansas are to be used for general corporate purposes, for construction purposes and for the reimbursement to the company's treasury for moneys expended for construction.

It is stated that no special or separable expenses of any kind are anticipated by

either Arkansas or Middle South in connection with the proposed transactions except for Federal issuance taxes payable by Arkansas in the amount of \$6,000. It is also stated that the issuance and sale of common stock by Arkansas is subject to the jurisdiction of the Arkansas Public Service Commission.

Notice is further given that any interested person may, not later than January 7, 1959 request in writing that a hearing be held in respect of such matters, stating the nature of his interest, the reasons for such request, and the issues of fact or law which he desires to controvert, or he may request that he be notified should the Commission order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after such date the Commission may grant the applications and permit the declaration to become effective, as provided by Rule 23 promulgated under the Act, or the Commission may grant exemption from its rules as provided by Rules 20 (a) and 100 thereof, or take such other action as it may deem appropriate.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.[F. R. Doc. 58-10788; Filed, Dec. 31, 1958;
8:48 a. m.]**DEPARTMENT OF JUSTICE****Office of Alien Property****PAUL KUPFER****Notice of Intention to Return Vested
Property**

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following prop-

erty, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Mr. Paul Kupfer, Hof 1/Bavaria, Germany; Claim No. 61430; \$142.80 in the Treasury of the United States. Vesting Order No. 16889.

Executed at Washington, D. C., on December 22, 1958.

For the Attorney General.

[SEAL]

PAUL V. MYRON,
Deputy Director,
Office of Alien Property.[F. R. Doc. 58-10789; Filed, Dec. 31, 1958;
8:48 a. m.]**GERTRUDE STERTZ****Notice of Intention to Return Vested
Property**

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Gertrude Stertz, 19 Bergstrasse, Krailling near Munich, Germany; Claim No. 59847; \$958.27 in the Treasury of the United States. Vesting Order No. 13454.

Executed at Washington, D. C., on December 22, 1958.

For the Attorney General.

[SEAL]

PAUL V. MYRON,
Deputy Director,
Office of Alien Property.[F. R. Doc. 58-10790; Filed, Dec. 31, 1958;
8:48 a. m.]





